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NEWS SUMMARY

GENERAL

Lobby for better youth job deal

About 2,000 young people lob-bied Parliament yesterday pro-testing art the Youth Opportuni-ties scheme. The lobby was backed by unions and Labour MPs, including Tony Benn. They were demanding better pay, and said they were being used to price full-timers out of

Employment Secretary Nor-man Tebbit described them as unrepresentative group with unreasonable demands. Mr Benn responded at a mass meeting. "Is it a wild expecta-

tion that people should have the right to work?" European court rules on caning

The European Court of Human Rights ruled that corporal punishment of children in school against their parents' wisbes was a breach of the Human Rights Convention

Hardline offensive

Harliners on the Polish Communist Party's central committee kept up a sustained offensive at its meeting in Warsaw. Page 2

Peace summit call The Archbishop of Canterbury called for a world peace summit of Christian leaders.

Fares backing

Top permanent officials of the Greater London Council backed the campaign to change the law on transport subsidies for the first time. Page 7

Concorde cost

It would be more expensive to stop public support for Concorde than to continue it, the Department of Industry said.

Hull City crisis Huli City, the fourth division foothall club, called in a receiver. Page 6

Libel award

was awarded £20,000 libel damages over national newspaper stories that called him a sbamateur."

Airport 'fiddle'

Fiddles at a Healbrow airport left luggage office earned staff about £24,000, a court heard. Hinckley trial

ordered John Hinckley

stand trial on March 9 for the attempted assassination of President Reagan last year. Rapist gets 'life'

was sentenced to life imprison-

A barman who "spiked" a woman's drink, then raped her,

ment at the Old Bailey.

'Bounty' offer A businessman has offered a £5,000 reward for information

leading to the arrest of a rapist who attacked a 17-year-old in South London. 'Kidney finder'

Yorkshire Regional Health

Authority is appointing a "kidney finder" to help over-Authority come a chronic sbortage of organs for transplant.

Tyre recycling The world's first commercial scale plant to produce oil, solid fuel and scrap steel from used tyres will be set up in the West Midlands. Page 6

Smart retort

Nine-stone pensioner Dick Studden, 72, hit out at two thugs who tried to mug him in Plymouth. The former boxer may have loosened some of

their teeth. Briefly . . .

Hungry pigeons closed one of the main Soviet Black Sea civil Elephant conservation fund in Sri Lanka will be launched by

BUSINESS

Equities turn dull; gold puts on \$2½

● EQUITIES were initially boosted by the successful debut for Amersham, the radioactive chemical group, but later turned dull after the ICI preliminary results. The FT Industrial Ordinary Index, which was ahead 6 points in the morning, closed 0.8 lower at 551.8.

GILTS resomed their advance after two days of falls and tongs rose a point while gains in shorts extended to 1. The Government Securities index closed 0.47 higher at 66.86.

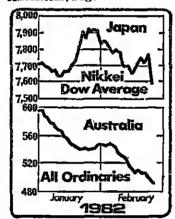
 DOLLAR firmed to DM 2.3685
 (Fall 2.3660), FFr 6.04
 (FFr 6.03), SwFr 1.88 (FFr 6.03), SwFr 1.83 (SwFr 1.8740) and Y235.75 (Y234.25). Its trade-weighted index was 112.9 (112.5). Page 31

© STERLING rose 35 points to \$1.8335. Against Continental currencies it rose to DM 4.3450 4.3325); FFr 11,0725 (FFr 11.0350); SwFr 3.4475 (SwFr 3.43); and ¥432.5 (¥428.5). Its trade-weighted index was 91.2 (90.8). Page 31

WALL STREET was 3.52 higher at 830.29 near the ctose.

e GOLD rose \$2.5 in London to \$356.25. In New York, the Comex March close was \$365.7.

G TOKYO shares prices fell, depressing the Nikkel Dow index 83.57 points to 7,580.45, the year's low, by the close. The fall reflected the prospect of growing trade friction with the U.S. Japan resists U.S. call for



In Anstralia, the All Ordinary index fell 4.3 to 490.0, the lowest since its introduction, on local interest rate fears. Page 32

A U.S. Federal Court judge O OIL EXPORTING countries. headed by Iran, have been selling gold in Europe in the past weeks to alleviate halance of payments problems associated with the falling oil price. Back

O DOME PETROLEUM and Hudson's Bay Oil and Gas have announced they will withdraw from the C\$13.5hn (£6bn) Alsands oil consortium. Back

@ AMERICAN AIRLINES has

cancelled plans to buy 15 new Boeing 757 aircraft.

• WORLD SHIPBUILDING orders slipped for the second successive quarter at the end of 1981, according to Lloyd's Register figures. Page 5

SIR HUGH FRASER, ousted last year as chairman of House of Fraser, bas tendered his resignation as a director of Harrods stores group.

• SUMITOMO Chemical, of Japan, has reported an operating loss for 1981 of Y2.8hn (£6.5m) due to import pressure in its

petro-chemical division. Page 28 • ROWNTREE MACKINTOSH pre-tax profits rose 28 per cent for 1981 to £40.2m, strengthen-ing its £75m hid for biscuit manufacturer Huntley & Palmer

O PLESSEY pre-tax profits for the nine months to January 1 rose by some £18.1m to £78.77m. Page 26 and Lex. Back Page

Foods. Page 22: Lex Back Page

• SKF GROUP, of Sweden, reported 1981 earnings 15.5 per cent lower at SKr 805m (£76m) after beavy losses on steel pro-duction. Page 28

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

_
FALLS:
GEC 812 - 7
Gill and Duffus 165 - 7
Hallam Sleigh 10 - 3
Johnson Matthey 263 - 9
Ptessey 355 - 12
Stocklake 113 - 7
Thorn EMI 450 - 18
Tuonet "B" 550 - 15
Ultramar 390 - 10
Bond Corp 90 - 18
Renison 155 — 35
VCITI2011 199 — 99

Pressure on BNOC may force \$3-\$4 cut in oil prices

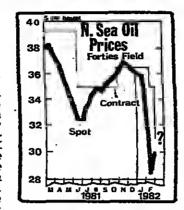
BY RAY DAFTER, ENERGY EDITOR

about to be cut-possibly by as much as \$3-\$4 a barrel-following industry pressure on British National Oit Corporation. It will be the second price reduction for UK crude oil this month

The move will almost cer-taioly force members of the Organisation of Petroleum Exporting Countries to review their own pricing and produc-tion levels. It will also bit UK Government revenues at a time when Sir Geoffrey Howe, the Chancellor, is preparing for a tax-cutting Budget on March 9. A \$4 price cut would reduce Government revenues by about £1bn in a full year. However, after taking into account beneficial effects—such as lower industrial costs, a possible slight improvement in output and exchange rate movementsthe net impact could be a need for an extra £500m of public

borrowing. Oll companies which forced BNOC to lower prices by \$1.50 a harrel to \$35 on February S have told the corporation they want prices to be reduced again, this time by about \$3.50 to \$4 a barrel. A \$4 cut would lower the reference rate for Forties oil to \$31 a barrel, back to the level in 1980. . If BNOC accepted a new

reference price of \$31 a barrel, it would put the world oll market lnio even greater tur-



Brttish Gas profit, Page 8 Oil exports ahead of imports, Page 8
Oil prices under pressure,

Page 20 Alberta oil project near collapse, Back Page Selling by OPEC hits gold price, Back Page

the rate for high quality North Sea crude about \$3 less than Opec's reference price, hased on inferior Saudi Arab Light official rates set by African producers of premium-grade crude. But the state-owned corporation—the leading trader and price-setter of North Sea oil-

oil companies paying an average of about 85 per cent of net revenues in taxes, each \$1-abarrel price cut reduces North Sea revenues by about £250m in

a full year.

The Prime Minister warned on Wednesday that falling nil prices were "diminishing the Chancellor's limited room for manoeuvre" in the formulation of a mildly reflationary Budget of a mildly reflationary Budget. Shell UK and British Petroleum, two leading producers and refiners of North Sea crude, bave led the call for further price cuts. Shell said it bad formally requested BNOC to reduce rates for the remainder of the January-March quarter. A decision is expected in the

next few days. The oil industry pointed out yesterday that it could no longer resist the forces of the spot market. North Sea crudes have been trade at prices between \$28.50 and \$30 a barrel in recent days. Just as signifi-cantly, prices have also been tumbling in the products mar-

Leading refiners pointed out vesterday that it was cheaper for them to buy spot cargoes of products such as petrol than to process North Sea oil themselves. With companies engaged in a fierce battle for product sales aome motorists are now able to buy petrol-at about is under pressure from the £1.40 a gallon—more cheaply Treasury to keep the price than traders can buy the proreduction to a minimum. With Continued on Back Page

3 month Eurodollar 🛭 Bank of England Dealing Rates

Interest rates ease again

INTEREST . RATES further yesterday, adding to pressure on the building societies to cut mortgage rates

The Bank of England cut the

France and West Germany will take new initiatives in the face of the serious ecnnomic consequences for Europe of continuing high U.S. interest rates. This was announced by President Francois Mitterrand after the Franco-German Summit, Page

Three - month Enrodollar rates fell i to 147 and Euro-Dm rates fell by a similar amount to 9 15/16 per cent News from Paris that France and Germany may be ready to take action to deal with the high

figures are seen as more important in the short term. The Bank of England did not operate in the money markets resterday morning, but in the afternoon supplied £292m. Most of the intervention was by way of buying bills of between 15 and 33 days' maturity at rates ranging between 131 per cent

before the base rate cuts.

SPAIN PIE

king Correspondent

minimum rate it buys bills from the discount market, in the course of its money market operations by 3.116 of a percentage point and the Govern-ment's National Savings Bank. one of the main competitors of the building societies, cut its investment account rate by half a point to 13½ per cent.

UK money market rates generally, and Eurodoliar interest rates, were only mar-

girally easier on the day. In the UK, the seven-day interbank rate-one of the key influences on base rates—fell by i of a point to 14i per cent, although longer-term rates were either unchanged or a shade

U.S. interest rates made little impact on Eurodollar rates.

and 13 11/16 per cent. Its minimum buying rate was 3/16 down on the previous rate,

President-elect quits German employers' group VON helped to feed rumours about

DEN Kr 6.00; SWITZERLAND Fr 2.0; EIRE 42p; MALTA 300

EBERHARD BRAUCHITSCH, senior deputy the possible resignation of at cairman of the privately-owned least one Cabinet Minister.

Flick industrial empire, has resigned as president-elect of managers of the Government and the Confederation of Managers of the Government and Bonn to npen investigations into able his tax affairs and donations to party

poliitical parties. Herr von Mrauchitsch has fallen victim to a growing political scandal in the Federal Repub-lic concerning tax evasion and illegal contributions to political party funds.

No formal charges have yet resulted, but at least 1.000 indi-viduals and companies are under investigation for possible tax

The investigations concern allegations that some conations to party funds have been passed through foreign banks to avoid the West German tax system, and that corporations and individuals have used illegal methods to avoid the low ceiling set for tax deductible party campaign con-

The affair has already involved major figures in all the leading political parties and has

Opposition parties to introduce legislation, which would have had the effect of legalising retrothe Confederation of West Ger Opposition parties to introduce the Confederation of West Ger Opposition parties to introduce the Industry (BDI). This follows the decision by the Director of Public Prosecutions in actively many of the question of Public Prosecutions in actively many of the questions. able procedures for making party donations, foundered foundered earlier this year on opposition from members of the Social Democratic parliamentary group. The Confederation of West German Industry said yesterday it had been informed by letter

by Herr von Brauchitsch of his decision to stand down. He wrote that "the simple fact" that an investigation had been launched against him into alleged payments to poltical parties and the fact that it was nnknown how long the investiga-tions would last meant "a

burden" for the BDI. The executive committee of the BDI met barely a month ago. following announcements that the Bonn prosecutor was conducting preliminary investigations, to confirm its support for Herr von Brauchitsch's appointment as the chief spokesman for

Continued on Back Page

ICI profits up 18%

BY SUE CAMERON, CHEMICALS CORRESPONDENT

ing from a £20m loss in 1980 to a £186m profit in 1981. Despite the market improve-

demand."

Nonetheless, declared a second interim divi-dend of 10p which will mean a total Ordinary dividend of 19p for the year against 17p Today's U.S. money supply

The group Britain's biggest manufacturing company, had chemical sales last year of £5.75bn — 12 per cent higher than in 1980. The increase came mainly from overseas. Oil field, increased by 45 per cent and Europe. to £831m.

Losses on the hard-pressed fibres business were slashed. from £86m in 1980 to £36m. and the company has high

IMPERIAL Chemical Industries' hopes that the sector will break pre-tax profits rose by 18 per even in 1982. Losses on the cent last year to £335m. And the equally troubled petrochemicals group's net earnings showed a and plastics operations were \$206m swing into the black, go also sharply reduced from £79m to £54m.

Both Sir Maurice Hodgson, ICI's retiring chairman, and Mr ment in its performance, ICT. John Harvey Jones, who will said yesterday there was succeed him in April, said they considerable uncertainty over were less confident of a recovery economic prospects for the rein the bulk plastics area than mainder of 1982 in all major in fibres. Oil prices had a markets" and added that there "destabilising" effect on the was "no firm evidence yet of plastics market and the current sustained improvement in recession in the U.S. meant recession in the U.S. meant there was a renewed threat of cutprice American exports coming across the Atlantic.

But Mr Harvey Jones said ICI had no plans to pull ont of the bulk plastics business. The implications of such a move, he said, would be "horrendous," Last year ICI out its world

wide workforce by 10,800, with 9,600 Jobs lost in the UK alone. Sir Maurice said the group had sales, derived largely from its moved up the productivity stake in the North Sea Ninian "league table" in both the U.S.

ICI shares which fell to 320p at-one point yesterday closed at 328p, up 2p on the day. Details, Page 22 Lex, Back Page

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48p in first-day flurry BY CARLA RAPOPORT AND PETER RIDDELL SENIOR MINISTERS wer em- One jobber sald yesterday; over the sale between Sir barassed and concerned yester- "Joe Public has had a pretty Geoffrey Howe, Chancellor, and

Amersham marked up

day about the large premium good go at this thing. Lots of Mr Nicholas Ridley, the Finan-on first stock exchange dealings little people got shares and cial Secretary. Mr Ridley on first stock exchange dealings little people got shares and cial Secretary. Mr Ridley in Amersham International, the have now made off with a pretty favoured sale by tender at a radioactive malerials producer good 45p profit on each one." price determined by the

The Stock Exchange became a pin-striped gymnasium yes-terday as the sbares in initial trading soared to 190p, compared with the government's selling price in the prospectus

At 9.20 am brokers swamped the three "pitches" where jobbers on the Stock Exchange floor were preparing to offer prices for Amersbam shares. Trading opened ten sweaty minutes later, by which time jobbers were standing on their chairs to be seen and heard over

the throngs of brokers. The crowds of brokers thinned out fairly swiftly and shares settled to 183p at the day's end, with 50 shares out-standing, this price capitalises Amersbam at £94m. or £23m more than the Government Amersbam at a fixed prire. raised in its Amersham offer for sale.

than half off the amount in ministers. issue. Small investors looking In the for a swift profit - the stags - fueled the rush as large financial institutions eagerly mopped up the share on offer. Many small investors were

yesterday, waiting to rereive Amersham shares or relurned Some 264,000 applications were made for the Amersham the issue more than 23 times. A total of 220,000 applications

standing by their letter boxes

were for 1,500 shares or less. In the Commons a row roke out during Prime blinister's questions Mrs Thatcher and Mr Michael Foot, leader of the Labour Party, over the decision to sell There was sharp disagreement recently in the Treasury

one." price determined by the that market, but he was overruled. which is the latest government. Dealers estimated that market, but he was overruled, owned company to be sold off between 25m and 30m shares. This judgment was being changed hands yesterday, more questioned yesterday by other In the Commons Mr Foot said some of the Government's

professional advisers who had been shown to have given the wrong advice had made "at least £1m out of lt." It was later made clear that Mr Foot was referring to the merchant banking fees on the issue, paid Rothschild and Morgan Grenfell.

Mr Foot said it was scandal that state assets should be sold at knock-down prices. Mr Michael Richardson, director of Rothschild, said later that Rothschild and Morgan Grenfell earned a £310,000 fee between them. Mr Foot's £1m figure was "muddled thinking,"

Row prompts review of tenders, Page 8 Lex, Back Page

The low-cost system will be

The

long-awaited

linked to IBM's new personal

IBM unveils low-cost robot system

BY PAUL BETTS IN NEW YORK

IBM, THE world's dominant was expanding a test marketing computer company, is to introduce a low-cost robotic system to robotics system called the IBM perform a broad range of industrial tasks, from assemply to loading unloading and packaging in factories.

The new system called IBM Announcement of the new 7535, will cost \$28,500 (about low-cost IBM robotic system and £15,400). IBM said deliveries the expanded test programme of the robots, made by Sankyo for the more sophisticated RS 1 Seiki manufacturing company of system are the fruit of 10 years' Tokyo to IBM specifications. will begin in the last three months of this year. It will he the first robot to be sold by IBM on the open market.

Property: U.S. banks in London ... 14

This was unveiled in December. when 15 systems were installed in various manufacturing places as a test.

research in robotics, an IBM official said.

It was known four years ago that IBM had a system that could assemble electronic type-IBM said yesterday that it writers.

entry into the rapidly expanding low-cost personal computer market in August. IBM said that the personal Continued on Back Page £ in New York Feb. 24

computer.

announred its

- CONTENTS Oil prices under pressure: Opec-hard

choices ahead 20 Politics today: another penny for the

Arts 21 Technology: UK despairs of an automated future 10

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Survey: new towns 12, 13

For lotest Share Index phone 01-246 8026

Financial Times Monday February 22 1982

France looks to state sector's new entrants for technological lead

BY TERRY DODSWORTH IN PARIS

A NEW catch-word is humming profits, bave been condemned to 'Aquitaine'a round the French government ments where industrial policy is investment will be long term, made. The word is "filiere" and designed to promote France's is mean to refer to vertical lines position in clearly defined areas of production which stand-or

The notion of "filieres" is jobs and exports. Important because it is fundamental to the massive restructuring of French industry which is planned as part of the Goveroment's nationalisation pro-

All the five big industrial groups entering the state sector believes this sector should dominate one or more of these chains of production. Each of them is also positioned in areas growth. The task they are being creased research and investment set by the government theorists is to develop their specific filieres and thus become the champions of France's accelerated thrust into new product

Describing recently, M Pierre Dreyfus, the Industry Minister, made it abundantly olear that the new state sector chairmen, while promised independence on a day-to-day management level, will have to act within the basic subsidiary. framework provided by the

The days of financial wheeler-

the industrial museum. Under the new Socialist order, state which provide steady technological advance and therefore

Four main integrated product areas have been chosen to carry the weight of this strategy after the reshuffling of interests between the different com-

Chemicais: The Government respond better to the intellectual skills of an advanced industrial country like France -particularly at a time of inspending. But the Industry is in a disastrous position at present, aplit between seven different companies, widely dispersed geographically, and

losing money beavily. After a decade of piecemeal reorganisation, there are still no real competitors to the West German or U.S. giants and the sector leader. Rhone-Poulenc. is saddled with continuing problems in its synthetic fibres

From this botchpotch of companies, some already national-ised (CDF-Chimie, Entreprise dealing, dedicated to short term Miniere et Chimique and Elf

interests), the Government aims to create three groups which will be "stronger, better integrated in terms of raw materials, and with more effective control over their markets."

Electronics: This fillere is regarded as the most decisive factor in maintaining the competitive strength of French industry, simply because electronic components lend themselves to such a variety of uses, from new industries such as information systems to traditional products such as watches and toys.

An improved performance in this field is an essential element in France's efforts to win back parts of the domestic market through better technology. France has no shortage of

nationalised companies in this broad area, from Thomson to the CIT-Alcatel division of Compagnie Generale d'Electricite (CGE), Matra and Cit Honeywell Bull, the computer group. But the Government is faced with big problems in defining clear fields of interest, especially since this technology if often bewilderingly complex

and fast moving.

According to M Dreyfus,
initial policy lines have been
drawn up to "accelerate" the use of electronics in industry



M Pierre Dreyfus . . . laying down basic framework

through action on several of flexible factories, computer fronts. First, in components, assisted design and so on; where it appears that Thomson thirdly, in computers, where will be called on to act as a sort of sector leader; secondly, in the field of industrial elec-

obvious champion and is likely to be hived off from Saint-Gobain; and finally, in consum-

French manufacturer.

Health: The Government aims to extract more from the heavy spending on pharma-ceuticals in France. Research expenditure will probably be stepped up to strengthen the pharmaceuticals division of Rhone-Poulenc, newly nationalised, and Sanofi, a subsidiary of EH Aquitaine, the already nationalised oil company.

Earlier suggestions that Roussel-Uclai, majority owned by Hoechst of West Germany. would be injected into one of the other groups, have been discounted by a recent agreement which simply gives the state a blocking minority in Roussel

There will also be a state funded scheme to promote the growth of bio-industries. Saint - Gobain, Materials: Pechiney Ugine Kuhlmann and CGE all have strong activities in sectors such as glass, aluminium, building materials, fibrea and ceramics. The Government believes, particularly in the believes that there is considerable scope for developing these products, particularly in the energy saving field.

Boiled down in this way, the

structuring, in which bigger was assumed to be better. Yet the policy undoubtedly

marks a change from the last Government's approach. It is not so deliberately concenproducts. The new state companies will also be given larger resources than most of them have been generating in the last few years.

Although the overall financial requirements of the industrial companies will be based on plans to be drawn up in the next three months or so, the Government has already indicated that it is setting aside about FFr 10bn (£900m) over the next two years for capital

requirements. These will essentially involve Rhone-Poulenc, PUK and Thomson. Rhone-Poulenc is beavily over-borrowed at pre-sent, and is reckoned to have lost about FFr 2.3bn over the last two years, while PUK lost FFr 1.76bn last year, and the financial community in Paris believes that Thomson has sunk into a dangerous financial posi-tion over the last 16 months Of the five big new nationalised

er electronics, where Thomson different from the old fashioned Gobain are reckoned to be in again the only significant French habit of massive re- good financial shape. However, even Sain-Gobain has suffered big drop in profits after taking on the loss-making Cii business.

The new funds are to be pumped into these companies in the form of capital subscriptrated on choosing extremely tions—entirely advanced by the limited international market state—on borrowings from the niches to attack with French national or international markets. This strategy is to reduce short term profit anxieties and allow companies to plunge ambitiously into new projects—a similar approach to that followed over the last few years in the nuclear power

industry. M Dreyfus insists that the groups must then be managed in such a way as to realise sufficient profits to "ensure the development of the company," while investments should at the same time produce a norm

return on capital.

If that is achieved, the Government's gamble on the most far reaching nationalisation project in the industrialised West will bave come off: If not, as a Parisian broker remarks, "the normal rules of of course, that those footing the bill will not be shareholders who have chosen who have chosen to take the risk, but every taxpayer in companies, only CGE and Sain-

Moscow warns Bonn over trade sanctions

BY LESLIE COLITT IN EAST BERLIN

THE SOVIET UNION has Poland The radio station in a diplomacy between the two gation yesterday began what the warned West Germany that it commentary carried promin countries and to "freeze" official East German news warned West Germany that it commentary carried promin-risks destroying Soviet-West ently in all East German news-German relations by joining in papers, warned West Germany sentatives. trade and political sanctions not to "put the axe to the root against Moscow by the North of Soviet-West German also annulling the effectiveness Atlantic Treaty Organisation relations" by taking part in and the European Community. economic and political sancpolitical agreements with Radio Moscow's German tions. was a discernible ahlft by Bonn away from its resistance to the movements of Soviet diploagainst the Soviet Union over was trying to

station axid that by restricting ments to be put on ice, Bonn demands for sanctions mats in West Germany, Bonn " paralyse "

contacts between their repre-It said West Germany was

Soviet broadcasting that, by allowing these agreewould be "cutting itself to the

quick."

A Nicaraguan military dele-

agency called an "educational visit" to East Germany to study "development of sport in General Heinz Kessler, East Germany's Deputy Defence Minister, called the visit by the Nicaraguan officers an expres

alon of the intensifying friend-

ship and co-operation "between our peoples and their armies." EEC plans, Page 5

pilots strike MARINE PILOTS in

marine

Portugal's

Portuguese ports went on strike yesterday, as did ground staff serving foreign airlines. Port pilots have been in dis-

pute since February 16 and stopped work for 48 bours yesterday, blaming failure to agree on their contract. Foreign airlines staff, meanwhile, are striking over the refusal of management to grant a 30 per cent wage increase—11 per cent above the ceiling set by the Government.

For months, Portugal's ports have been disrupted by action by stevedores, merchant seaman

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Hardline chorus swells among Polish party's policy-makers

Communist Party's two-day central committee meeting, which was scheduled to end yesterday, has revealed a strong groundswell of bardline opinion in the party's top policy-making

Speeches published so far show that hardliners are aiming to toughen up General Wojciech Jaruzelski's policies and are out to purge the committee of its more liberal members. However, Jaruzelski, leader of the military council which is running the country as long as martial law continues, has not come under attack, nor have direct references been made to

politburo members.

THE DEBATE at the Polish Christmas in strikes against martial law.

Mr Skwara formally put a motion that the plenum verify the 200 central committee members. "The rank and file have been verified." he said, "but the mebers are saying that a verification needed in the central committee itself." He called for the ex-pulsion of the "ideologically hostile and the careerists."

Mr Jerzy Trzesniewski, from the Warsaw steelworks party organisation—a considerable stronghold—backed up the call and said that the period after the summer of 1980 must be analysed. The party must rid itself of those who "are ever The hardline offensive started ready to participate in consecu-with Mr. Kazimierz Skwara, a tive renewals," a description miner from the Ziemowit mine which could apply to many of in Silesia, which was one of Gen Jaruzelski's political sup-those which held out until porters.

Warsaw printer, obviously in tune with Mr Stanislaw Kociolek, the party First Secretary in Warsaw, who is emerg-ing as one of the foremost hardline challengers to the policies of the present leader-ship. The printer, Mr Albert Kosowski, lashed out at the "lack of consequence in the verification process journalists in the radio. TV

The attack also shows that the hardliners are no longer wholebearted in their support of Mr Stefan Olszowski, the Politouro member in charge of the media

One speaker, Ms. Zdsisława Gebska, called for the sacking of all school teachers who had been active Solidarity members as unqualified to teach school

This announcement appears as a matter of record only. February, 1982

United Mexican States



DM 400,000,000 **Medium Term Loan**

Lead-Managed by

Banque Européenne de Crédit (BEC)/ The Dai-Ichi Kangyo Bank, Limited Banque Européenne pour l'Amérique Latine (B.E.A.L.) S.A. Gulf International Bank B.S.C.

Compagnie Financière Luxembourg

The Long-Term Credit Bank of Japan, Limited

National Bank of Abu Dhabi

Managed by

Associated Japanese Bank (International) Limited Banco Hispano Americano, S.A.

Banco Central, S.A.

Co-Managad by

Banco Popular Español S.A.

FRAB Bank International

The National Commercial Bank

Provided by

Banque Européenne de Crédit (BEC) The Dai-Ichi Kangyo Bank, Limited

Banque Européenna pour l'Amérique Latine (B.E.A.L.) S.A.

Deutsche Bank Compagnie Financière Luxembourg

Gulf International Bank B.S.C. National Bank of Abu Dhabi

Banco Central, S.A.

Kuwaiti-French Bank

The Long-Term Credit Bank of Japan, Limited Associated Japanese Bank (International) Limited Banco Hispano Americano, S.A. Banco Popular Español S.A.

FRAB Bank International International Trade and Investment Bank S.A. Australia and New Zealand Banking Group Limited

Banco Pinto & Sotto Mayor

Sofis Limited UBAE -- Arab German Bank S.A. Banco Espirito Santo e Comercial de Lisboa (London Branch) Crédit Industriel d'Alsace et de Lorraine -Succursale de Luxembourg

The Saudi National Commercial Bank Slavenburg Overseas Banking Corporation Banco di Santo Spirito (Luxemburg) S.A. The Chuo Trust and Banking Company, Limited (New York Agency) The Yasuda Trust and Banking Company Limited

> Banco Pastor, S.A. Intermex International Bank Limited Intermex Group --Union Bank of Finland (Singapore) Limited

Nippon Kangyo Kakumaru (Switzerland) S.A.

Agent

Deutsche Bank Compagnie Financière Luxembourg

PARTNERSHIP COMPANY-C.R.1588

BALANCE SHEET AS AT 29th. DHUL-HIJJAH 1401 (27th. OCTOBER 1981)

1400 H S.R.	CAPITAL & LIABILITIES	S.R.	S.R.	1 400 H S.R	PROPERTY & ASSETS	S.A.	S.R.
30,225,133	CAPITAL		30,226,133		CASH FUNDS .	400	
32,774,867	RESERVES STREET, RESERVE	32,774,867		2,389,286,728	7 Casts in hand	3,133,678,180	Ι.
1,437,000,000	Other Reserve Reserves	1,869,027,254			2 Statutory deposits with Soudi Arabian Moneyary		1
.,,,	Surplus on resolution of	ייב, שאנותו		2,869,960,818	Agency	1,370,641,215	1
48,005,605	properties	46,095,605			3 Other deposits with	7470,041,210	•
	Surplus on makation of			Market Street	Soul Arabian Mountary		1
. 31,877,141	investoració	31,877,141		2,586,292,403	Agency	2,887,926,916	-
1,547,747,813			1,998,774,867	7,840,548,947			7,392,146,
1,577,972,748	Total Capital and Bastrets		2,000,000,000		DEPOSITS WITH BANKS	j	!
	DÉPOSITS			43,101,218	1 In Sect Archite	152,676,914	•
	7 Customers' deposits	L 13		8.967,792,275	2 Abroad	75,494,180,812	
21,785,297,488	(Note: Cover total current,			0.010.253.491			13,650,867
21,700,207,400	time and spring deputate) 2 Deposes from Banks	23,318,475,808	4		INVESTMENTS:		10,000,007
529.055 R82	ai in Smoti Arabia	895,741,745			(Not exceeding lowest of		
2,664,908,345	bi Abroad	5,527,121,854		I .	COST OF Intricet value)		
	3 Sundry Deposits:				7 Sharps and securities of	1	
	(Note: Include margins			4	establishments :		
	for letters of credit,			220,069,690	a) in Seed Arabia	260,066,387	ļ -
1,967,793,588	other transferri	2,953,910,932		656,602,871	b) Abroad 2 Other mentioners	752,864,128	1
28,966,566,110	annual	4,50,510,502	32,665,249,239	885,672,561	2 Call Interment		1 11
Eulaninghill 14			-02,003,203,739	005,672,061	COATTO CONTINUES		7,012,930,
•	BORROWINGS				LOARS, ADVANCESetg		
ł	1 From Baries				and doubtful dubed	ł	
}	a) in Soud-Arabia		1		1 Tec		
 1	b) Abroad	=	1 1	10,945,759,749	e) Private motor	14,884,794,032	
1	2 From Others	-	· 18.	472,143,747	to Barries	935 194 740	
				898,458,687	e) Others	935,194,749 72,308,109	
Ì			_ ,	239,243,785	2. Bills purchand and discounted.	271,839,824	·
	PROFIT & LOSS ACCOUNT			12,245,615,096			18,544,734,9
	Balance brought forward				FIXED ASSETS		
2,879,562	from last year	796,834		.1	1 Back postules and other real estate (at cost or		
77,916,972	Add: Net Profit for the year 1401 after transfer to Reserve	149,344,521		444,217,458	reversion)	650,608,20s	
80.796.534	······································	140,344,521			2 Ferritare, fintener and	630,506,205	
PLACES VIDE			750,141,TES	95,767,357	aquipment (less depreciation)	65,939,681	
· f				496,274,816		201-1-101	010,545,B
}	OTHER LIABILITIES		1		OTHER ASSETS		41404078
	1 Acceptances outstanding				1 Contorner Rublinier for		
124,045,418	on behalf of componers	138,586,028		124,046,412	Outstanding acceptances	*********	
2,280,723,216	2 Other liabilities	6,580,951,308		417,443,840	2 Other many	138,568,026	
2,404,769,634			8,710,520,336	5¢1,490,258		603,716,962	
31,030,094,028	Sub-Yorks		41,564,930,230	21,030,094,028	Sub-Total -		742,304,6
				المحارب مسرب منا	CONTRA ACCIDENTE		41,584,930,2
ŀ	CONTRA ACCOUNTS	·		4	Customers' Rebiblies totales'		
18,476,978,229	Guarantes, letters of credit				Successions' patients of caucies.		
	and other obligations		18,794,582,454	18,476,878,229	and other obligations		
49,507,072,257	Grand -Total	1	61,368,522,664	44,907,072,257		·	10,794,502,41
					Grand-Total		81,259,627 G

AUDITORS' REPORT

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 29th, DHUL-HIJJAH 1401 (27th, OCTOBER 1981)

H 00041 822	EXPENSES	S.R.	S.R.
278,529,761 1,757,354,628	Solaries and other staff expenses Directors Feet, Bomonstationsann Service charges Provisions for depreciation,		412,129,975 2,117,780,691
12,467,964 50,000,000	Depreciation on buildings, furnitaryste Differ provisions.	17,551,498 72,000,000	
62,457,964	· •		30,551,496
95,751,142 477,316,372	Other expenses NET PROFIT FOR THE YEAR Of which		142,238,027 871,331,875
	a) Transfer to Reserve b) Balance carried to Balance Sheet	422,027,254 140,344,621	
2,072,022,467	T		3,332,977,936

1400 H S.R.	INCOME	S.R.	S.R.
2,945,205,801 28,616,998	Net lecome from foreign withings transactions and other services Net income from investments and real assay.	3,300,066,677 32,103,240	
2,072,022,467	* TOTAL INCOME		3,332,571, 928 .
2,972,002,467			3,332,671,925

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nakers

EUROPEAN NEWS

Papandreou visit underlines Nicosia's narrow options

BY DAVID TONGE, RECENTLY IN NICOSIA

Paris and Bonn pledge interest rate action

By David Housego in Paris

FRANCE and West Germany will take measures to avert the serious economic con for Europe of high U.S. interest rates, President Francois Mitterand said yesterday.

He was speaking at the end of his two-day meeting with Chancellor Helmut Schmidt at which the emphasis was on closer ties between the two states and more effective Euro-pean collaboration. The pro-posals would be submitted to other European states for their evaluation, he said, but France and West Germany remained firm in their determination.

His remarks were taken to refer to fresh attempts to per-suade the U.S. to lower domestic interest rates, backed up by greater European co-ordination interest rate movements.

Proposals to this effect are likely to be put to next month's meetings of European finance ministers and heads of govern-ment. French officials say there is sympathy within the U.S. Administration for European anxieties about interest rates and over Europe's desire for more active U.S. intervention to prevent large fluctuations in the dollar's exchange rate.

They add that West Germany worried by unemployment and the pressure on the D-Mark has increasingly come to share French views on this assue.

The declaration issued after the meeting spoke of joint initiatives on interest rates in which EEC co-operation would be sought to stimulate investment and enable industry to innovate and modernise.

It spoke of increasing Europe's weight in the world and said that both states sought real progress towards Euro-

Implicitly referring to the sharp disputes over EEC agri-cultural prices and Britain's demand for a cut in its net budget contribution, it said the Community must resolve "in a epirit that transcends the interests of each member state, the difficulties which cur-rently impede its working."

On East-West relations, the two states issued what M Mit-terrand called a "firm" declaration to the Soviet Union, But it was neither as strongly worded as some past French declarations, nor as cautious as

earlier West German ones. While expressing anxiety at the deterioration in East-West Afghanistan and Soviet rearmament, the two also spoke of continuing the dialogue with the Eastern bloc.

As much concern was voiced for the ned for closer links between the U.S. and other members of Nato. It called for closer consultation between Europe and the U.S. to define common objectives and to adjust better to each other's

accused, asked to have his ser-

vice record read out.

The president of the court

martial interrupted and said that the distinguished general's

record was well known—Gen

Milans del Bosch being one of the most highly decorated

officers in the Spanish armed forces. The defence counsel in-

sisted, and the president acceded

The defence's intention was

leaders of the attempted coup.

between democratic Spain and the traditional values enshrined

unėasy

valour

coexistence

to the request.

licans) were revived.

or unconstitutionally.

unquestioned

time reducing the current

be no relenting yet from the

ing of his parliamentary party. Mr. Haughey aaid later that he would continue discussions with the independents and minor parties with a view to forming a stable government when the Dail (parliament)

MR CHARLES HAUGHEY vesterday brushed aside a challenge from Mr Desmond

O'Malley, his industry spokes-

man, for the leadership of the Fianna Fail party when he received the unanimous back-

Haughey

brushes off

leadership

challenge

supporters, when he said that in the interests of party unity,

mitment to Cypriot Hellenism with their anxiety over the abrasiveness of Greek-Turkish Internationally, the West Germans are keen to see movement in the talks, but Moscow and Washington are pulled in different directions. Western diplomats believe Moscow prefind a different one within weeks.

not of his choosing.

Mr O'Mailey, aged 43, said he would stand for the leadership again when the time was appropriate and would be willing to serve in a cabinet under Mr Haughey: Mr Haughey said he would choose his cahinet on

Government parties under Dr Garret FitzGerald must now get down to the task of wooing the Left-wingers whe hold the balance of power i

Mr Haughey is still favourite hecause of the three extra seat he holds over the combined

IMF sounds optimistic note on Turkey's economy isation programme met. "on couraging success" last year, in consumer prices had slowed a deat in the mental of the persevere on the existing policy. The report address any significant deviations from the programme, according to the International Monetary Fund's latest report on the country. It is the first optimistic report in 1980, grew by 4.25 per cent. Issue of LMF funds and other concessional government to monetary expansion. It is the first optimistic report account deficit to first and ready to a "striking acceleration in the programme," a "striking acceleration in the programme," a "striking acceleration in the programme, which reduce the programme, a "striking acceleration in the programme," a "striking acceleration in the programme, which reduce the striking acceleration in the programme, a "striking acceleration in the programme, which reduce the striking acceleration in the programme, a "striking acceleration in the programme," a "striking acceleration in the programme, a "striking acceleration in the programme," which reduce the striking to reduce the economy astill almost a product from 5.75 per cent in 1980, grew by 4.25 per cent. On the newsive of the first optimistic report is not concessional government to monetary expansion. A decrease in the rate of account deficit to slish to concessional government to monetary expansion. A decrease in the rate of account deficit to slower the concessional government to monetary expansion. A decrease in the rate of account deficit to the monetary expansion. A decrease in the rate of excitation in the PSER. A the same time right of the mind that a further success. The progress made so far increases to the level of inflation. The report such case of the monetary expansion. A decrease in the rate of excitation to exchange a continue of such as the monetary expansion. A decrease in the rate of excitation on the programment to a striking policy. A the same time right of the mind that a further such as the such as the such as the such as the such as t

On the negative side, private avestment remained sub-

years; says the report, the eco-nomy needs to be positioned to be able to absorb the impact of targets were all met or exceeded dued." Also, the recovery in the significant reduction in net stage of the programme:

four key elements in the next

import hill, while at the same

other problems with their allies.

However, the Greeks have to

mets on March 9. There was a crucial intervention from Dr Martin O'Donoghue, the finance spokes-man, whom Mr O'Malley had counted as one of his principal

there should he no vote. Senior figures in the party also argued against a contest. One of these, Mr Jim Tunney, said people would not under stand how they could vote for a party under one leader and

Mr O'Malley withdrew his challenge and accepted after-wards that the timing had been awkward." But he said it was

nicrit.

they wish to continue in office after March 9.

Government parties.

estimates that the programme's

Nazan Selcuk Kesper, a 26-year-

old housewife, describes how at

the age of seven she had to flee shooting Greek Cypriot sol-diers. "I never want to be near

them again," she says.

The first face is the idyll in

which many Greek Cypriots. believe, a past and a future of two communities at peace. The

second is a reality which both

sides have to face.
This is the island to which Dr

Andreas Papandreou is to fly to-

morrow on the first visit ever by a Greek Prime Minister. The

trip symbolises the support his.

gered fears of a hasty Turkish

The most extreme suggestion

countermove.

TWO FACES of a dusty, frac-tured land. Potamia, a sleepy, grapefruit centre in the heart of Greek Cyprus where a young Turkish-Cypriot farmer sits in independence for northern Cyprus and its 120,000 Turkish Cypriots. But such an idea is rejected by Mr Rauf Denktash, the Turkish Cypriot leader. "Mr Papandreou is not our problem," he tells visitors to his his mud-brick house and tells how he deserted the Turkish army because he did not want

to shoot at the Greek Cypriots with whom he had grown up.
Cocmenkoy — Refugee Town
—a newly hull suburb of Turkish-held. Nicosia: Mrs. Perhaps more seriously, the visit has underlined the limited options open to the Greek side as it tries to win back at the negotiating table what it lost to the Turkish army in 40 days during the summer of 1974.

Talks between the two communities have been going on under United Nations auspices threat implied by the presence of up to 19,000 Turkish troops on the island.

In the Greek view the talks tration. Government gives to the Greek Cypriots, but it has also caused agonised heart-searching in both Athens and Nicosia and trighas been that the Turks might make a unilateral declaration of

Turkey's military rulers are believed to have appointed Professor Turhan Feyzlogiu, (60), a leading conservative politician, as legal adviser to the Turkish Cypriot com-munity in the intercommunal book and gadget-filled office.

peace talks in Cyprus, writes Metin Hunir in Ankara. It is the first time since the military takeover 17 months ago that the generals have given a job of such im-portance to an MP who served in the disbanded Parliament.

proved a depressing and time-consuming exercise. The basic problem, they argue, is that spotlighted by Dr Papandreou— that no fair talks are possible as long as the Greek Cypriots have to negotiate under the an idea first put forward by the Soviet Union in 1974. They might press for a United Nations mediator to be appointed, or they might accept arbi-

are making no material pro-gress. As Mr George Ioannidis, that at the moment these the Greek Cypriot interiocutor options are not only rejected puts it "I see no light on the by the Turks but, more importhorizon to warm my heart about ant, by most other countries mediation in the chances of a development interested in the Cyprus dis-nearly 20 years. which could lesd to a solution." pute. These are now pinning. The two sides are now dis-The Greek Cypriots see four their hopes on what is perhaps cussing a potential constitution.

the most positive development in the past eight years. In effect a mediator is in place, and he is beginning to cajole the two sides along a course which is leading to the nearest thing to negotiations seen since the Turkish landing.

the UN Secretary General, Dr Kurt Waldheim.

Formally, his mission is re-stricted to using his "good offices" to help both sides. He soon realised this would lead nowhere and four months ago submitted to both sides a document hlending their positions. He did so at the risk of being rebuffed hy both the communities and by an increasingly hesitant Dr Waldheim.

He overcame problems in his own camp by giving the UN 30 minutes—at 4 am New York time—to stop him presenting the document. He settled the other aides' fears hy insisting in private is the first outside mediation in the dispute for

to the central government, and the extent to which the Turkish Cypriots—with 18 per cent of the population—should be given reconcile their deepfelt comequality with the Greek Cypriot A forceful Argentine diplomajority. But they have agreed mat, Dr Hugo Gobbi, came to the island 18 months ago as To the outside world, these relations. To the outside world, these may seem wilbered fruit, but in

state, the powers to be given

They remain fundamentally generals see some advantages divided on the asture of the in a settlement, given their

Cyprus such developments mark movement. Still, the prospects for the future are at best mixed. At the communal level, Mr

Denktash has seen his own mandate cut back in last year's elections and is now struggling to put together a fresb coalition. On the Greek Cypriot side all calculations are dominated by the prospect of Presidential elections in 12 months' The Church and the Edek

socialist party of Dr Vassos Lyssaridis, oppose the inter-communal talks. Archbishop Chrysostomos asks visitors who It committed nobody. Yet to press the reality of the situa-day the so-called "Waldheim tion: "Does realism mean one Evaluation" has become the must kneel in front of the basis for what both sides admit strong?" But most other strong? But most other parties, including the communist Akel, the largest party weight behind the talks.

ment, not least because it chuld lead later to the challenging of the two British bases nn the Washington and London stress the need for a settlement Washington in particular has not been greatly using the influence it could exercise over

fers Cyprus to remain a running

sore for Nato. But the view

stressed by men close to Akel

is that Muscow wants a settle-

All in all the balance is as complex as ever. It will probably he little altered by the trip of Dr Papandreou, although UN and Western diplomats fear his trip could stiffen the backs of the Greeks and put a further hurdle in Dr In Ankara, the Turkish Gobbi's path.

Dutch will tighten accord on oil company investment

agreement fundamentally or to increase the State's take in the oil companies' profits on Dutch natural gas.

The Growingen gas field, which accounts for 71 per cent of Dutch reserves of 2.101ba cubic metres is covered by the gentlemen's agreement. The smaller onshore fields account for 14 per cent, the offshore fields for 12 per cent and Norwegian imports for 3 per

A majority of MPs yesterday accepted assurances from Mr

has no plans to revise the FI 15.4bn they expect to earn agreement fundamentally or to on Dutch gas in 1980-84.

ment coalition partners, Terlouw promised to review Government invest whether ment premiums could count arch and maintenance costs should be treated and how spending should be verified.

Jan Terlouw, the Economics

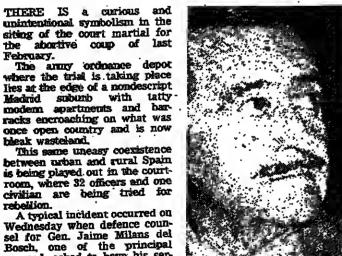
THE DUTCH Government is to Minister, that the companies tighter the conditions of a had kept to the agreement gentlemen's agreement with Royal Dutch Shell and Exxon's Dutch subsidiary, have over promised investments in the Netherlands. However, it lands F1 14bit (£2.94bit) of the lands F1 14bit (£2.94bit) of the lands F1 14bit (£2.94bit) of the lands F1 14bit (£2.94bit).

Under pressure particularly from the Labour Panty, which

The Government has aiready persuaded Shell and Esso to make a firmer commitment to give preference to Dutch manu-

Spanish rebellion trial mirrors national divisions

BY ROBERT GRAHAM IN MADRID



where the trial is taking place lies at the edge of a nondescript modern apartments and barracks encroaching on what was once open country and is now This same uneasy coexistence between urban and rural Spain is being played out in the courtroom, where 32 officers and one civilian are being tried for

Gen Milans del Bosch: service record read ont

in the Franco era also came to the fore in the incident on Tuesof the editor of the Daily Diario 16 and the withdrawal of the newspaper's accreditation.

The clerk of the court started Angered by an article in the newspaper, the accused refused reading very rapidly. Defence counsel immediately asked to have the record read at normal to go into court that day until the editor had been ejected. speed. The reading took almost The president of the court an hour, going through every martial, faced with having to battle in the civil war and on the Russian front, and old words forcibly bring prominent army officers into court, bowed to their request. The president's which Democratic Spain has sought to bury like fighting against "the Reds" (the Repubruling has been chalked up as a psychological victory for the

This incident has transformed clear: to remind the court that the atmosphere at the trial which was beginning to become it was dealing with a man of more relaxed after the tension patriotism, who would never undertake any venture lightly of the opening two days. The of the opening two days. The latent antagonism between the Press and members of the families of the accused came The prosecution wants 30 years jail for the general who, out into the open—the Press not being wholely blameless. as commander of the Valencia military region last February, is alleged to be one of the ring-The jeers accorded to the Press by both members of the families and military observers are unlikely to be the last

Moreover, because of the under-

lying tension, there is a constant danger that a petty issue could suddenly blow up into some thing big.

chairs with their hacks to the public and Press, separated by hullet-proof glass partition One empty seat remains, that of Sr Juan Garcia Carres, the corpulent former head of one of the Francoist vertical syndicates and sole civilian accused. He is undergoing heart treatment

The accused look remarkably fit and tanned and have listened to the proceedings so far essentially the reading of written evidence—with a mix of arrogance and bemusement.

The exception has been Gen Alfonso Armada, former bead of the King's bousehold. Throughout he bas been sullen mtrospective, pos the least military carriage, emphasising that he is the most

enigmatic figure on trial. All the accused have blamed him as responsible for saying the King was behind the coup attempt. He has denied in a dogged statement any royal backing or any direct involve-

appears to have been soft pre-

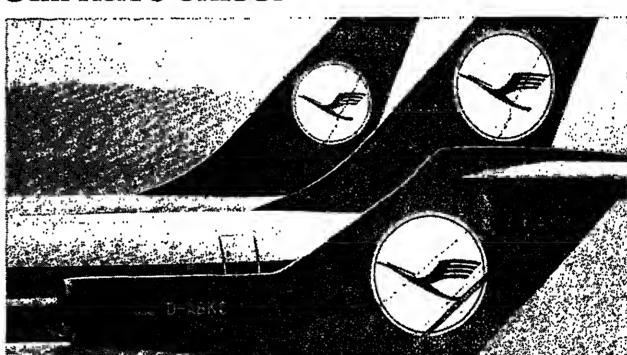
trial questioning is that Gen Armada knew about the comp and was a ring-leader along with Gen Milans del Bosch and Col Antonio Tejero, who On the night of February 23, Gen Armada went to parliament to meet Col Tejero, who thought

Gen Armada claims that he went on his own initiative to defuse the situation.

the latter was to be the head of

This is going to be a crucial point when the accused are cross-examined and witnesses will be the extent to which the court is willing to accept the obedience of superior orders as a defence, pleaded by most of

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ality and so on. Lufthansa prefers proven standards to promises. So we are not going to compromise on our offer. We offer you an unbeaten punctuality record. We offer you Europe's youngest fleet, with the comfort of the latest 727 and

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Financial Times Friday February 26 1982

INDIA'S BUDGET

Balancing act for Treasury

WITH THE armed forces peering over one shoulder, demanding more money, and the International Monetary Fund peering over the other demanding austerity, Mr. Pranabing austerity, Mr. Pranabing austerity, Mr. Pranabing austerity, Mr. Pranabing to guit the party if it joined the coalition.

Minister, could be forgiven if the felt claustrophobic as be party chairman, said yesterday telected the call to make in the party if it joined the coalition.

Mr Shimon Peres, the Labour Party chairman, said yesterday telected the call to make in the party if it joined the coalition.

Mr Shimon Peres, the Labour Party chairman, said yesterday telected the call to make its price in the government of national unity which was issued by Mr Menahem Begin, the Prime Minister, and led to threats by it it joined the coalition.

Mr Shimon Peres, the Labour Party chairman, said yesterday trends to make its prime in the prime in the prime in the party if it joined the coalition.

balancing act with an economy and not in the social and econo-beset by rising inflation and a mic areas." t by rising inflation and a mic areas."

Addressing the Party's central committee, Mr Peres said that cannot neglect other rities.

Addressing the Party's central committee, Mr Peres said that he had written to the Premier in response to Mr Begin's invited that "there is no point" fast-deteriorating balance of payments. While tackling these,

Government's security percep. ing the 30 per ceot of Government spending last year and will probably account for more this

Nor can the Minister avoid providing funds for develop-ment projects included in the country's ambitious £53bn, aixth five-year plan (for the period 1980-85).

This is about to enter its third year after the first two years have registered promising signs of an average growth rate of more than the annual target of 5.2 per cent. If this momentum is maintained, India could finally exceed the low average annual rise of 3.5 per cent achieved in the past three decades and atart on the path to real growth.

Mr Mukherjee's task is to ensure such a growth. The obstacles are formidable apart from the demands of the

Relations between India and Pakistan, who last month discussed a proposal for a no-war pact, have taken a turn for the worse following the Indian Government's decision to postpone indefinitely a visit to Islamabad hy its Foreign Secretary, Mr R. D. Sathe, K. K. Sharma

This follows the raising of the Kashmir dispute by Pakistan's delegate to the Human Rights Commission in Geneva. India believes the two countries bad agreed that Kashmir was an issue only to be taken up bilaterally.

generals. The Finance Minister must make sure that the IMF is satisfied so that it anthorises the second year's instalment of the three-year \$5.8bn (£3.12bn) loan that India has taken.

The foreign exchange reserves now stand at the perilously low level of 32bn rupces (£1.9bn) or less than three months worth of imports. Conlinued disbursements from the IMF are, therefore, essentief if the country is to continue the relatively liberal import policy launched to modernise industry and to increase pro-

With an increase in industrial production of around 8 per cent in 1981-82 and in agricultural output of 3 per cent, there is hardly any slack left in the

Further production can thus come from improved productivity and new capacity. This needs fresh investment, requiring the Government to go beyond the holding operation of the last two years. For public sector investment, this means resources. For the private sector, it means incentives and easing of severe credit curbs.

The two are not easy to reconcile. Raising more resources in the form of additional taxation could be self-defeating at a time when the taxation structure needs to be rationalised. Industrialists are clamouring for concessions to enable them to generate thir own funds for in-

The Finance Minister has two options. He could meet the demands for more defence and developmental expenditure by ellowing a large budgetary deficit, es his predecessors bave done (lost year's deficit financ-ing was Rs 15bn). He could also resort to increased borrowings from abroad.

In doing both, he would face major obstarles. The IMF is closely watching the expansion of money supply. It has limited the expansion to 19.4 per cent in 1981-82 and will not want It raised much more next year. The IMF has also said that India should place a ceiling of \$1.4bn on short-term non-concessional external borrowing.

The Government's annual economic survey boasts that India kept the annual inflation rate down to under 6 per cent until mid-lanuary, although the rate by March may be 9 per

The economic survey anticipates a trade deficit of more than Rs 55bn in 1981-82, the second year in succession. It also says that the international aid climate has deteriorated.

If imports are not to he slashed, exports must be increased. The survey has noted with concern that over the past five years export earnings have barely kept pace with the rise in inflation. Clearly the country is not as export-conscious as it

Labour spurns Begin national unity call

BY DAVID LENNON IN TEL AVIV

THE OPPOSITION Labour Party yesterday rejected the call to

prepares his first budget for "to my regret I do not see any presentation to Parliament real common and broad basis between us and the ruling He must perform a difficult Likud, not in the political area

Demands for more modern tation that "there is no point weapons by the armed forces must be met because of the ing the policy of the Govern-

However, the Labour Party did offer one concession to the Premier in agreeing to partici-pate in a joint parliamentary delegation to the U.S. to explain Israel's opposition to the sale of advanced American weapons

Even though some Right wing Minister's Office said earlier members of Labour had voiced yesterday that if Labour guarded support for joining the rejected the appeal for unity guarded support for joining the government coalition, the Party's then Mr Beg Central Committee yesterday call for electi evening approved Mr Peres of this year.

Mr Menahem Begin, the Israeli Prime Minister, yesterday lannehed a new bitter personal attack on Herr Helmut Schmidt, the West German Chancellor, who he said should "50 down ou his knees and ask the forgiveness of the Jewish people" for Nazi atrocities, our Tel Aviv correspondent writes. This latest outhurst was prompted by an Israeli newspaper report from Paris, quoting Herr Schmidt as saying that he would not visit Israel unless Mr Begin apologised publicly for earlier attacks. France's President Francois Mitterrand is due to visit Israel next week. Last summer the Israeli premier accused the West German Chancellor of "unbridled greed and avarice" in his Arab policy after Mr Schmidt had spoken in favour of Palestinian rights during a visit to Saudi Arabia.

rejection of the Premier's offer. then Mr Begin may decide to call for elections before the end

Israeli army seals four Golan Heights villages

THE ISRAELI army sealed off Eight leaders of the 13,500 the four Arab villages on the occupied Golan Heights yesterday as a general strike by inhabitants protesting against Israeli annexation of the Syrian territory entered its 12 day.

Army chiefs drove through

the four villages early yester- Israel's December annexation of day, announcing that the towns the Heights. were closed and that entry and There wer There were reports of angry exit were forbidden. The previous night all telephone links Israeli troops and western corto the villages were severed by respondents who wanted to the authorities.

Autonomy talks continue

BY ANTHONY MEDERMOTT IN CAIRO EGYPT AND Israel have come which he had several rounds of to no agreement over Pale-stimian autonomy in the Gaza his Egyptian counterpart. Strip and on the West Bank. According to Mr Ali. Mr nor over the precise date of Mubarak, who met Mr Shamir

Foreign Minister, concluded a Israel's final withdrawal from three-day visit yesterday during Sinal, has not been established.

President Hosni Mubarak's first yesterday morning, will visit visit to Israel. Israel, though whether he does Mr Yitzhak Shamir, Israel's so before April 25, the date of

yesterday between

Key Cabinet members shifted in Kenya shuffle

THE SPLIT in South Africa's party. It has always been a

BY MICHAEL HOLMAN

IN HIS first major reshuffle permanent secretaries since succeeding the late Jomo Two Ministers of State in Kenyatta in 1978, President President's office who Daniel arap Moi of Kenya has close to Mr Moi are given their shifted two key members of his own ministries. Mr Godfrey

powerful men in the Government as well as to reflect increasing concern over the country's economic difficulties. The Vice-President, Mr Mwai Kibaki, is moved from Finance Constitutional Affairs, which he retains. The new Minister of Minister, Mr Arthur Magugu.

ruling National Party widened

yesterday as the ultra-conserva-

tives led by the Minister of

Andries Treurnicht, prepared to

Dr Treurnicht has called an

all-important extraordinary

meeting of the head committee

of his provincial party in Pre-toria tomorrow and the execu-

tive of the provincial party is

The Prime Minister, Mr P. W.

Botha, is visiting South-West

Africa (Namibia). He has given

the rebels until next Wednesday

to fall into line, but is under

great pressure to dismiss Dr

South African politics have

been suddenly plunged into turmoil by the refusal of 22

National Party MPs on Wednes-

day to give the Prime Minister

the confidence vote he had

requested. There is unanimous

agreement here that this is the

most dramatic and important

political development in the

republic since the Nationalists

What has happened is that

in his three-year effort to hold

came to power in 1948.

expected to meet today.

Treurnicht immediately.

bid for control of the Transvaal

branch of the party.

Administration, Dr

Two Ministers of State in the Kariuki heads the Ministry of The move appears to reduce Lands, Resettlement and Phy-the Influence of two of the most sical Planning and Mr Nicholas Biwott takes over the new Ministry of Regional Development, Science and Technology. Mr Kibaki and Mr Njonjo

have been part of a powerful triumvirate (the third member being President Moi himself) to Home Affairs, the portfolio dominating the political scene, which had been beld by Mr But deep rivalry between Mr which had been beld by Mr But deep rivalry between Mr Charles Njonjo in addition to Kibakl and Mr Njonjo, members of different Kikuyu clans (Mr Moi is from a minority Finance is the former Health tribe) has, in the view of many observers, tended to distract the The reshuffle goes beyond Government from handli ministerial posts, and includes ous economic problems. Government from handling seri-

nightmare of Afrikaner Prime

Ministers that they might

preside over the splitting of the party. This is not only because

the unity of the Afrikaner

"Volk" has been fundamental

to their steady emergence to

power throughout the first half

of this century, but also because the history of South

African politics can be written

in terms of schism followed by

Thus, white South Africans

were yesterday discussing this

week's drama by reference to

the Hertzog Botha division of

1914, the Malan/Hertzog break-

away of 1933, the fundamental split in 1939 between Smuts

and Hertzog, and, most relevantly, the 1969 expulsion

from the National Party of the

extreme Right under Hertzog's

son who went on to form the

Herstigte Nasionale Party

has steadily built up grassroots support as a white-supremacist

Afrikaner party. In last April's

election it won 200,000 votes. Although it failed to win a par-

liamentary seat, the HNP has

on Progressive Federal

Throughout the 70s the HNP

(HNP).

What has happened is that been more of a worry to Mr the Prime Minister has failed P. W. Botha that the official

a shift to the Right.

More scope planned for S and Ls

By Paul Betts in New York

posed yesterday to give broader powers to the troubled U.S. savings and loan industry. The proposals by the Federal Home Loan Bank Board, which regulate lates the U.S. thrift industry, will enable savings and loan associations (S and La) to offer money market mutual funds as well as engage in some security

brokerage activities.

Money market mutual funds,
which offer small investors the which offer small investors the possibility of investing in high-yielding financial instruments, have literally exploded in the U.S. market during the past 12 months. Their success has been acutely felt by the U.S. banking industry, because monay market funds have been steadily eroding bank deposits.

The new proposals to aid the The new proposals to aid the S and L industry would also enable subsidiaries of thrift institutions to underwrite in-surance and offer private mort-gage insurance as well as engage in commercial lending and leasing activities.

The board also proposed yesterday to allow S and L institutions to trade fibancial optious on organised exchanges.

Talks on Sudan debt rescheduling

By Our Foreign Staff

SUDAN'S CREDITOR countries are to meet in Paris next month to discuss rescheduling part of its official debt.

The meeting, to be held under the auspices of the "Paris Club," follows agreement by the Inter-national Monetary Fund to provide Khartoum with a \$225m (£122m) standby credit for 12 months and agreement by major Western donors, under IMF co-ordination on a mixed aid package worth about \$350m. An agreement to reschedule

up to \$600m of Sudan's commercial debt was signed in London on December 30 last year and comes into effect in April. The commercial rescheduling will concentrate chiefly on principle, but includes some \$100m of

Sudan's rapidly worsening economic condition has apparently galvanised its Western alikes, notably Saudi Arabia and the U.S., into shoring up the Government of President Jasaar to President Reagan, who has been strongly criticised by his ing to refund the banks, which been strongly criticised by his had not received their money from the horrower. Government hacked loans without invoking formal default under Secretary of Agriculture, clauses in loan agreements, also said yesterday that he had

With total external debt standing at about \$6bn, and faced with a current account deficit for the present financial year of nearly \$600m, the Sudanese authorities have had to deal with an upsurge of political unrest this year.

Western bankers close to the

Sundan Government say that the IMF and "donor" agreements have been designed to close a \$560m financing gap perceived by the Fund for calendar 1982. The donor package consists chiefly of commodity pledges but includes some cash and a small" amount of debt restructuring by some Arab

Governments. According to the Japanese Foreign Ministry, the pledges include aid worth \$100m from Sandi Arabia, \$90m from the U.S., \$26m from France and Japan, \$10m from the Netherlands, \$3.5m from Italy and \$1m

from the UK. Late editions of yesterday's Financial Times reported incorrectly that between \$350m and \$400m of Sudan's official debt had recently been rescheduled. This arose out of reports from Washington which had apparmeet with next month's Paris Clob meeting, which is expected to consider rescheduling \$500m of Sudanese debt.

Lowest price rises for 18 months

THE U.S. inflation rate slowed further in January, with consumer prices rising by only 0.3 per cent, the smallest monthly increase in a year and a half, the Labour Department reported yester-

The year-on-year rate dropped to 8.4 per cent, against 8.9 per cent in December, when the 12-month increase in the index fell below 9 per cent for the first time in over three years.

The White House welcomed the figures as evidence of a "continuing trend of improvement" in the fight against inflation, to which President Reagan has accorded top priority. The Labour Department said the slowdown evident since October was continging.....

Officials were cautious about claiming too much credit for Mr Reagan's policies to account for the slower increase in prices at a time when they are still blaming the current recession and high unemployment levels on the policies of the previous

Administration. In New York, Mr Murray Weidenbaum, chairman of Mr Reagan's Council of Economic Advisers, said that the current quarter would mark the bottom of the recession, suggesting that he is sticking to his view that the upturn will start in late spring or early

The January price index

was inducted by an 0.2 per cent fall in transport costs, due largely to cheaper petrol and lower car prices, and a drop of 0.1 per cent in the cost of clothing.

These declines helped to offset an 0.7 per cent jump in the index for food and hever-ages, following increases of only 0.1 per cent in each of the preceding two months, and a similar 0.8 per cent increase in the cost of medical

U.S. budget deficits 'underestimated'

BY ANATOLE KALETSKY IN WASHINGTON

over the next four years in its 1983 budget proposals, the non-partisan Congressional Budget Office reported yesterday.

Even if President Reagan succeeds in pushing the whole of his "deficit reduction programme" through Congress, the office says, deficits will rise to \$121bn (265bn) in 1983 and \$140bn in 1985, compared with the Administration's prediction that they will fall to \$91.5bn

in 1983 and \$72bn in 1985. The predictions appear in the CBO's report on next year's budget proposals. The CBO is the most authoritative official source of budget information serving Congress.

According to the CBO, even the President's prediction of a average of about \$20bn a year. \$98.6bn budget deficit in the current fiscal year, which ends ments with the Administration

economic recovery.

. In a subsequent three years the \$140bn cumulative excess of the CBO's deficit forecasts over the President's estimates is attributable mainly to differ-ences in technical analysis of the true fiscal impact of various proposed reforms, rather than to differences in economic assum-

Mrs Alice Rivlin, the CBO director, told the Senate appro-priations committee yesterday that the President had underestimated by about \$43bn the cumulative revenue losses re-sulting from his tax cutting programme between 1983 and 1985. Over the same period he had underestimated outlays by an

ment, debt interest and the budaccelerated leasing of outer continental shelf oil explora-The CBO's firmest predictions

are on farm price supports, where it has used more recent information on harvests and prices to forecast an additional \$5bn of spending in both 1982 and 1983. On the oil leasing programme, discussions with the oil industry and the fall in oil prices suggest to the CBO that proceeds are more likely to be \$138hn a year in 1983 and 1884 than the \$18bn projected by the Administration.

The CBO's report is bound to intensify still further the pressure on the Administration to accept radical alterations in and a rap its budget proposals. President ployment.

THE Reagan Administration in October, appears to he on outlays centre on four major has greatly underestimated the size of federal budget deficits mainly because of over- price support, defence procure- support, defence procur mined to ensure that the deficit throughout the rest of his term

In a separate report issued yesterday by the Congressional joint economic committee, the committee's Democratic members, launched a detailed "literative stratege" challent "alternative strategy" challeng-ing all the major plants of "Reaganomics."

The Democrats propose rescinding the planued 1983 tax cut, at least until the communic and budgetary situation be-comes clearer. This gesture of "fiscal responsibility" would be combined with a relaxation in monetary policy and numerous longer term structural measures to produce lower interest rates and a rapid decline in unem-

Romania misses payment on U.S. agriculture loan

Romania bas missed a pay- which were private export tent of \$5.8m (£3,1m) on an credits guaranteed by the EEC. ment of \$5.8m (£3.4m) on an credits guaranteed by the EEC. agricultural loan for the U.S. the Romanian loan on which a Government's Commodity Credit payment has been missed was a direct loan from the CCC to culture Department has distine Romanian Government. The closed.

financial crisis in Romania and Eastern Europe. It comes as something of an embarrassment to President Reagan, who has been strongly criticised by his

Although the amount of Chicago International and Euro-money involved is small, this pean-American Bank, acted draws renewed attention to the only as collection agents.

The Agriculture Department has stressed that in neither case did it have the option of refus-

ing Poland to miss payments on
Government-hacked loans without invoking formal default
Under Secretary of Agriculture, clauses in loan agreements, which would trigger off default
which would trigger off default
wordedings by other lenders.

From the horrower.

Berti said.

Venezuela, which ranked forced Venezuela to import second among Opec producers petrol from the neighbouring after Saudi Arabia last year, island of Trinidad, which supwhich would trigger off default proceedings by other lenders.

Venezuela favours Opec meeting to boost oil price

VENEZUELA favours an extra- b/d since the beginning of the ordinary meeting of the Year. Organisation of Petroleum force Exporting Countries (Opec) to consider ways of shoring up oil prices, Dr Humberto Calderon Bertl, Energy Minister said yesterday. "Venezuela wants a meeting,

but believes that it should be on the basis of a consensus or' previous agreement between the ministers to assure that it of \$4.1bn by 10 will be a success," Dr Calderon cope with the cuts.

Declining demand has also forced the country to make successive cuts in crude and refined product prices.

Dr Calderon Berti said that based on present export and price cuts. Venezuelan oil sales. income in 1982 could fall by more than \$1.6bn (£866m). The country's oil industry has trim-med its 1982 operational budget of \$4.1bn by 10 per cent to

proceedings by other lenders. in order to seek rapid repay barrels a day, has seen its proto cover domestic requirements.

Unlike the Polish loans, ment from Romania.

duction drop by almost 400,000 of more than 160,000 b/d.

Mixed response to Caribbean plan

BY HUGH O'SHAUGHNESSY; LATIN AMERICA CORRESPONDENT

REACTIONS to the U.S. initia- his own plan for detente in the tive in Central America and the Caribbean announced by President Reagan in Washington on Wednesday have been mixed.

President Rodrigo Carazo, the outgoing Costa Rican leader, hailed it as a "practical answer of the U.S. Government to the pressing problems suffered by more than 15 nations," and Mr Jorge Ilineca, the Panamanian Foreign Minister, said the plan had "enormous interest."

of Jamaica, who was singled out for special commendation by Mr Reagan in his speech, called the new U.S. plan "bold, historic and far reaching in concept." There was, however, no imme-

Prime Minister Edward Seaga

diate reaction from Mexico and Venezuela, both of whose governments are expected by the U.S. to increase their assistance to the region. The Mexi-

area ou Sunday, which was received coolly in Washington, is unlikely to be enthused by the Reagan initiative. In San Salvador, President

José Napoléon Duarte made a

television broadcast to support the U.S. project, which he said opened unlimited opportunities for the Salvadorean economy. The so-called Caribbean Basin Initiative (CBI) received a pre-dictably hostile reception in Havana. Havana Radio called it "a mixture of lies, cynicism and threats." In Moscow, Tass said Mr Reagan's plan aimed tosupport. " counter-revolutionary elemens and bloodstained repres-

In Peking the official Chinese news agency, reflecting the Government's declining enthusiasm for U.S. policies in the area, said that Mr Reagan was reflecting the intensified

sive regimes."

rivalry of the U.S. with the Soviet Union for hegemony in the Caribbean region. Sr Alejandro Bendana, the Nicaraguan Ambassador at the

UN said that Washington was undermining his country's economy, while at the same time speaking of aid for the Caribbean. Sr. Bendana made a further denial that Nicaragua was channelling arms to insurgents in Central America and callenged the U.S. to prove its allegations that this was so. In Britain the Foreign and Commonwealth Office welcomed Mr Reagan's speech as a positive step." A spokesman for the office, commenting ou the decision of Mr Richard Luce, the junior minister in charge of Latin American relations, to visit the State Department next week, denied that he would be expressing European unease at U.S.



Ruling party split leaves S. African politics in turmoil

BY J. D. F. JONES IN JOHANNESBURG

represent a major realignment

Four broad possibilities lie



The rivals: Dr Treurnicht and Mr Pieter Botha

Nationalists who feel that Mr with the extra-parliamentary Botha's Government has become white ukra-White. This would When Mr Botha lost his of South African white politics. temper with Dr Andries Treurmicht in Wednesday's caucus ahead. The first, that the rebels meeting he is reported to have think again and return meekly said to him: "Go to the to the party fold, seems Herstigtes and to Hertzog where extremely improbable in view of

you belong."

the tenor of yesterday's public when he said: If Dr Treurnicht
In these words the Prime and unconcealed backblting, it intends to restore the right of
Minister was referring to the is true that Dr Treurnicht has self-rule to the white man, to
most likely of the consequences always in the past preferred to approach matters from a of the rift in cancus—a break-back down from outsight con-away by Dr Treurnicht and his frontation, but his tactics on together the Verligte Party, with its 27 seats, since followers, in some form or other. Wednesday suggest that be has (Reformist) and Verkrampte the HNP has threatened to after which they must be exmoved far out on the limb and (Conservative) wings of his tempt away Verkampte pected to make common cause sawn off the branch.

One Machiavellian but unconvincing theory is that Mr oBths skillfully plotted for him to do fust that. A second, and were likely

alternative, is that the Right will resist compromise and will go charitable interpretation) be on to form a separate grouping or organisation. One real posout of reluctance to split the in opposition to the parliamentary Nantional Party.

It the course of any such regrouping the rebels could ex-pect to work towards o loosely united rigt-wing that would take ever. in the existing extra-parliamentarians-the HNP, the National Conservative Party led by the disgraced Cabinet Minister, Dr Connie Mulder, thequasi-fascist Afrikaner Weestandsbeweging. and the moreideological Aksie Eie Toekoms ("Action Our Future").

The flavour of these organisations was summed up yesterday by Mr Eugene Terre Blanche of Afrikaner Weestandsbeweging, when he said: 'If Dr Treumicht approach matters from a 22 of t Christian viewpoint, and to 19 hav restore old-time Apartheid, I hand.) congratulate him and his followers on their decision to tilt

which described the rebellion as a "purification" and a

"liberation" of the National More cynical observers, however, wonder whether after years of triuming, Mr Botha has it in him to write off the Transvaler reactionaries and to develop the middle ground. If he did so, he could hope

the rump opposition, NRP with its eight seats. However, it is possible that the rebel conservatives might try to tempt away more caucus Nationalists and so take over as the official opposition, with or without NRP support. (The National Party has 142 seats out of 177. 22 of them have rebelled and

free Mr Botha to press on with system, which has emerged this the Verlighte policies that he week as the breaking point for originally promised when he the right-wingers — will con-come to power but which (on a tinue to dominate the political charitable interpretation) be debate.

The President's Council is out of reluctance to split the due to come up with constituof organisation. One real possibility is that the rebels, most party. This argument is summed up in yesterday's resulting the Transval MPs, will summed up in yesterday's resulting the Transval branch poise by the infinential Versulting the National Party and set up light Afrikans newspaper, Reeld, long-standing and guilty moral long standing and guilty moral dilemma about the place of the Coloureds has surfaced again as the cause of the schism, since it lies at the heart of

> has been illustrated by the way he has brought them into his new system of government. It is being seriously sugges-

Edward Seaga: plan is "historic" The third possible consectioned and Indian minorities uence would be that this might inside the white legislative

the split between the Cape and the Transvaal. A fourth possible conse-quence is also being mentioned dramatic and even unreal though it may sound to Western ears. That is the prospect of some sort of military coup. Mr for some backing from the Botha's closeness to the mili-opposition PFP and also from tary leaders is well known and

ted that exasperation with the right-wing restraint on Govern-ment, together with the argument that only dramatic measures can cope with the alleged "total onslaught" on 22 or them have received and an eged total obstaught" on 19 have yet to show their South Africa, would make it tempting to set up some sort of "executive presidency." For the debate about finding a place for the discount finding findin

defendance of the second of th

()pec

price

Man

Japan resists U.S. calls for trade concessions

BY CHARLES SMITH IN TOKYO AND PAUL CHEESRIGHT IN LONDON

sharply to the suggestion of Mr Malcolm Baldrige that pressures for protectionism could not be checked unless Japan did "something dramatic." But in Tokyo it was amounced that Japan's five main economic Ministers will meet early next

week to consider trade relations with the U.S. and initiate further action to defuse tension. Although the Government may be planning further liberalisation measures, probably focussing on agriculture and services, next week's meeting will certainly not take any final decisions. The meeting is more likely to initiate a study of possible measures.

Mr Baldrige's demand was

Trade and Industry.
But Mr Zenko Suzuki, the

Japanese Prime Minister, found it too vague. "Unless they talk in specific terms, you can't tell whether their position is really harsh or flexible. If we are asked to do this or that, then we can study and reply 'we can do this but cannot do that,' 'he said.

But Mr Kiichi Miyazawa, the

Chief Cabinet Secretary, was Committee made the remarks sharply critical of the move when he informed Mr Esaki ments for protectionism in the about concern to achieve greater U.S. In a statement, he said "I access to the Japanese market doubt if the Americans know of for farm products. tevelled at a mission sent to Washington to explain recent

-JAPAN yesterday appeared to moves to lower tariffs and in the U.S. Congress to enact he stiffening its resistance to remove non-tariff barriers. The laws which would specify that U.S. demands for trade concessions. Senior officials responded Esaki, a former Minister of ket only on the same conditions ket only on the same conditions it suppliers have access to the Japanese market.

Mr Esaki was told in Washington, bowever, that Congress had been forced to consider means of redressing the problem of the growing Japanese trade surplus and what he termed Japan's unfair trade har-

chairman of the Senate Finance

doubt if the Americans know of the Gatt (General Agreement on Tariffs and Trade) rules. That's why they bave introduced reciprocity legislation that could attri in October with U.S. on import expansion for U.S. beef, and fruit juice.

EEC plans to halve imports of Soviet consumer goods

BRUSSELS—The EEC Commis-sion has announced proposals cameras, machine tools, cars which are currently free of any for halving EEC imports of a and machinery. range of goods from the Soviet
Union, in protest at the Kremlin's role in the Polish crisis,
an EEC spokesman said.

EEC Royales State State Soviet

Linear Machinery.

Imports of such goods in 1980, the latest full year for which figures are available; totalled around \$1hn (\$507...) EEC Foreign Ministers agreed

in principle on Tuesday to im- a final decision by EEC governpose such sanctions, although Greece and Denmark expressed remain valid. some dissent.

imports from the Soviet Union. The restrictions will affect would be applied both to goods to be extended nearly 100 types of imports, already subject to quantitative yarn producers.

ments on the proposals will

The Commission said it was The Commission's proposals, not publishing a detailed list of than those for the equivalent which have to be approved by the products affected at this product in the U.S. EEC Governments, would stage in order to avoid specula. Also the International Rayon affect about 4 per cent of EEC tive demand for such licences, and Synthetic Fibres Committee The 50 per cent reduction

restrictions. Reuter
John Wyles adds: The Euro pean Commission is in review the anti-dumping duty imposed round \$1hn (£527m). in December 1980 on EEC Import licences issued before imports of U.S. polyester yarn. The move is a response to a request from 14 U.S. companies

which provided evidence that their EEC prices are higher to be extended to U.S. textured

Senator Robert Dole the

Bahrain deal worth £184m won

By Mary Frings in Bahrain

by Italy

SNAMPROGRETTI is to build and equip a \$350m (£184m) ammonia and methanol complex in Bahrain for Gulf Petrochemical · Industries (GPIC), a joint venture be-tween Bahrain, Knwait and Sandi Arabia.

The Italian company won the award in the face of competition from Davy McKee of Britain, Henrty Industries of France, and Mitsuhishi Deavy Industries hidding jointly with Toyo Engineering of

A high hid from Uhde of West Germany, which in October, 1980 signed an agree-ment with GPIC for the provision of licensed technology, was eliminated at an early stage, but the loss of the main construction contract will not affect Uhde's technical services role.

A lump-sum contract for engineering services and plant construction, worth \$80m, was signed in Manama yeslerday by Dr Tawleeq Almoayed, ebairman and managing direc-tor of GPIC, and Dr Paolo Castigiloni, commercial directer of Snamprogretti.
A number of options such

as training, construction and commissioning of the twin plants would bring the price to \$100m. The major lient, worth in the region of \$200m. is the supply of equipment, The contract includes supplier export credif finance for services and reimbursible

Snamprogretti will be bandling all procurement and purchasing activities for the construction of the petrochemical complex. Construction of GPIC's administration building will be the subject of a separate contract open only to local companies.

equipment originating from

CONCERN OVER BUSINESS IN MID-1980s

World shipbuilding orders slip

BY ANDREW FISHER, SHIPPING CORRESPON

WORLD shipbnilding orders as the slow recovery which and Europe are concerned about began in 1979 petered out.

book of 35.3m gross lons due for delivery by the end of 1982, shippords are concerned about husiness into the mld-1980s.

Latest figures from Lloyd's Register show that total order books have fallen from 36.4m tons at the end of September and 37.5m in June. This compares with the March 1974 peak of 133.4m tons, achieved before the lengthy crisis in the industry.
The bleaker prospects for

world yards—only Taiwan. Brazil and the UK among the 10 major shipbuilding nations showed a September December increase—are home out by the igures for new orders. While actual output rose from some 13m tons in 1980 to over

16.5m last year, the volume of orders placed fell by nearly 2m

Japan, the biggest shiphuild-log country, experienced a drop of nearly 750,000 tons in its order book between the third and fourth quarters to 12.7m, though the annual figure for completions was up sharply. Even Its maln rival, South

Korea, saw its order book dimioish, though only by 17,000 tons to just uoder 3m. Offering prices at least 15 per cent cheaper and willing to quote in dollars, Korea has been more successful than Japan in winning big foreign orders over the past year. Its Hyuodai yard last July

landed one of the biggest ever merchant orders, worth \$400m for nine container ships and 14,000 containers, from United Arab Shipping Company. More recently, it won a \$200m con-tract to build three roll-on/rolloff container vessels for the Barber Blue Sea consortium, which includes Britain's Ocean

Another Korean yard, Daewoo. slipped for the second succes- has installed massive new capasive quarter at the end of 1981 city. The industries in Japan

such additions st a time when With nearly 60 per cent of order are flatlening. But they the end-December world order can do hitle beyond trying to persuade Korea through bilateral contacts of the need-in their eyes-to slow down. Since Korea is not a member of the Organisation for Econo-mic Co-operation and Develop-

ment (OECD), it cannot be subjected to concerted criticism within that body's regular working party meetings on shipbuild The Japanese point out that labour costs in Korean ship-yards are well below their own.

though productivity is far less. Since 1978. Korea's order book has expanded four-fold to nearly 3m gross tons, Of the world tonnage under construction, 9.5m tons, or 58

per cent, is for export. Japan is building 3.8m ions for shipping lines to other conorries, which is 69 per cent of the tonnage it has under construction. Korea's export figure is 953,000 tons, or S# per cent of lds 401al, and Spain's 612,000 tons (6it per centi.

These figures, which exclude ships on which work has not started, illustrate why many shipbuilding countries are concerned that the gradual recovery is not extinguished by yards chasing business at uneconomic prices, especially now the new

While Japan has cot capacity and employment in its shipbuilding industry since the late 1970s, some European industrialists feel that Japanese yards jumped ahead during 1980 in the race for orders to the detriment of the gradual recovery.

They also argue that Japan's capacity cuts were not as drastic as the figures for berth closures might suggest. For their part, the Japanese have strongly



2HILBOII	DING ON	DEK BOO	K2	
	(m gross t	ons)		
				(Change
				on 1981 3rd
Dec. 1978	Dec. 1979	Dec. 1980	Dec. 1981	quarter
6.5	9.3	13.1	12.7	(-0.75)
0.7	1.3	2.5	3.0	(-0.02)
1.3	1.5	2,2	2.2	(-o.t)
2.8	2.5	1.8	1.7	(' 0.2)
0.5	0.7	1.2	1.4	(. 0.16)
25.9	28.3	34.6	35.3	(-1.1)
	Dec. 1978 6.5 0.7 1.3 2.8 0.5	(m gross to 1978 Dec. 1979 6.5 9.3 0.7 1.3 1.5 2.8 2.5 0.5 0.7	(m gross tons) Dec. 1978 Dec. 1979 Dec. 1980 6.5 9.3 13.1 0.7 1.3 2.5 1.3 1.5 2.2 2.8 2.5 1.8 0.5 0.7 1.2	Dec. 1978 Dec. 1979 Dec. 1980 Dec. 1981 6.5 9.3 13.1 12.7 0.7 1.3 2.5 3.0 1.3 1.5 2.2 2.2 2.8 2.5 1.8 1.7 0.5 0.7 1.2 1.4

countered this view, painting became more common. especially to recent Korean successes and the drop in their own orders.

53 per cent, is for bulk carners, orders. The Lloyd's figures show which attracted a spate of new orders up to 1980 when freight rates were well above current levels. But shipnwhers are now warnings of surplus capacity previous quarter.

tine country which is slowly raising its capacity and skills for world markets is Clara. It By far the largest part of the has been reorganism its indus-world order book, more than by and winning more foreign that Chinese yards only had Statu tons under construction in December, but had yet to start work on a further 331,000 holding back on new orders as tons, a slight rise from the

Source Land & Regentle

Propane close to rare earths deal with China

By Colina MacDougall

PROPANE of London, mineral importers from China, is formalising an arrangement with the China Metallurgical Import and Export Corporafion in Peking to become the sole agent for the import of rare earths from China into

is in Britain to negotiate the ment is expected. visit major endusers, like Chance Pill gton and Thorn

The market for rare earths, used in advanced industries such as electronics and laser erystals, is expanding rapidly. (Magnets). users of rare earths, say their consumption of £400,000 worth is growing by 25 per

China's reserves of rare earths are estimated to be four times the world total Present supplies come mainly from Inner Mongolia and are pro-cessed in Shanghai.

Gloom shrouds Swiss metals and engineering

BY JOHN WICKS IN ZURICH

THE SWISS METALS and engineering industry is suffering from sluggish world demand

the end of 1981, the 44 per

the final quarter by both the textile machinery and the machine tool sectors. In recent months, export business has been proving more successful than domestic sales, even although results in the fourth quarter benefitted largely from a single major order from Iraq.

Foreign orders increased by a nominal 12.2 per cent over the whole of 1981 and hy the and the high Swiss franc exfinal quarter accounted for
change rate, according to a
report issued by the country's
Association of Machinery Manufacturers (VSM).

The VSM says that the industry will be able to hold its
own in the near future only at facturers (VSM).

own in the near future only at
The market is said to have the cost of profit margins. In weakened since last summer most cases, the association A delegation from the CMIEC and no short-term improve adds, these have been under pressure for some time. How-

> Companies are technologically able to stand up to a tough cent rise over the year falling short of the inflation rate. In hattle on the markets, and volume terms, work on hand was equal to only 6.8 months' ated upswing is expected once demand improves.
>
> | production, with a sharp fall in standing orders recorded for Swiss imports of mineral oil and oil products demand improves.

Swiss imports of mineral oil and oil products dropped by 11.6 per cent last year to less

per cent increase to SwFr 6.88m in pre-customs value.
Within this total, crude oil imports fell by as much as 15.4 per cent to 3.24m tonnes following lower demand by Swiss refineries.

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By Bridget Bloom, Defence Correspondent

THE Government's decision to sell HMS Invincible, Britain's newest aircraft carrier, to Australia has caused a slorm of protest among British and Austratian MPs.

The sale of the 19,500-lon vessel at the "bargain" price of £175m is likely to go ahead in spile of the protest, however, with delivery scheduled for the end of next year.

The sale, which has been under negotiation for months, was announced yesterday in Canberra and was confirmed by the Ministry of Defence in Lon-

Nearly 40 Conservative back-bench MPs tabled a motion earlier this week calling for the sale to he hatted.

Although there is deep unhappiness among Tory back-benchers, the protests yesterday on the floor of the llouse were more muled than expected.

In Canberra, the purchase of Invincible, which is to become the flagship of the Australian Navy, was criticised by some Labour MPs as unnecessary and by others as being the wrong

Mr Bill Haydeu, Labour opposition leader, repeated that a future Labour Government would sell it.

Britain has decided to sell Invincible, one of a class of three anti-submarine warfare (ASW) vessels, primarily for financial reasons; the Navy is bearing the brunt of defence cuts announced in last June's

Defence Review.
The Ministry of Defence yesterday compliasised that the sale, with a 190m payment in this financial year and the remainder in 1983-84 would enable the Government to order more ASW trigates.

The Ministry also hopes that the ucal will lead to mere Austrappin desence purchases. Austratia has recently been preferring U.S. delence equipment.

British critics of the deal sce the lass of invincible as weakening the Royal Navy's anti-submarine capability in the North Atlantic to the face of a growing Russian threat in the

The Government says that Hermes, which was to been phased out next year, will now he kept on for a further two years until Invineible's sister ships Ark Royal and Illustrious are com- 51m tonnes from 38m tonnes in missioned.

Critics claim that Hernies, whose retention costs must be oliset against the reveoue from the sale of invineible caonot be an effective replacement for Invincible, Following the June Defence

Review, the Navy has a list of some 20 warships which must be sold or otherwise disposed of over the next two years.

Talks to be renewed on **De Loreans** for Budget

By John GriOlths

Lorean Receiver, is to hold furher negotiatings with Budget RentA-Car on the possible sale of 2,000 De Lurean sparts cars to the car rental company. They would be added to its 100.000 rehicle U.S. hire fleet.

Sir Kenneth repeted an initial approach from the company oo Tuesday, saying that the price being offered was not

If a deal can be agreed, it would provide a major boost for Sir Kenneth's efforts to keep the De Lorean venture in business.

ing 1,000 cars (minediately and the remainder uver 12 months. price, this would represent an immediate injection of £13.5m and a similar amount later. Budget clearly is expecting a discount but vesterday stressed its interest in the cars was

Mr Bob Front, its European preident, said: "We have an agreement that Sir Kenneth wants to sell and we want to He refused to confirm Belfast reports that Budget had offered \$20m for the cars—or \$18,000 each—declarion that price in public.

An order for 2,000 ears would take eare of nuire than half the cars in the supply pipeline be-tween the Belfast plant and the 350 U.S. dealers' showrooms, It would aise provide desperately needed cash flow in the few remaining weeks until the spring selling season is expected

Sir Kenneth is due to return from the U.S. today after two days of talks with potential investors in the company. He is seeking £40m-£a0m in extra

Soccer's cash crisis claims first victim as Hull calls in receiver

EY NICK GARNETT, NORTHERN CORRESPONDENT

claimed its first victim yester-day when Hull City, the Fourth Division club, called in a re-

Mr Chris Needler, City's chairman, said the club hoped to complete its fixture list for this season at least and the club, with its ground, would he

put up for sale.

BRITISH GAS CORPORATION.

which yesterday announced

details of a 23 per cent rise in

domestie gas prices, is set to

make a current cost operating profit of welt over £300m in the

In addition, the corporation

expects to hand to the Govern-ment a lery of £420m, in

essence a windfall tax reflecting

the low price paid by British

Gas for some of its established

North Sea supplies. This levy

is treated as a cost by British

It is understood that the State

corporation is on course to

meet the Government-set finan-

return on current cost assets. In 1980-81, the last financial

year British Gas exceeded this

target and made an operating

profit of £3Sim, a 4 per cent

British Gas has still to cal-

culate the financial effects of

a complex supply pattern dur-

ing the past 11 months. Dom-

estle sales went up because of

BY MAURICE SAMUELSON

BRITAIN IS now firmly estab-lished as an oil exporting

country, with last year's ship-

ments for outstripping imports

for the first time.

The munthly Energy Trends.
published by the Energy
Department yesterday, revealed

a 34 per cent increase in exports of North Sea oil last year and a 21.2 per cent drop in imports. Exports reached

BY ARTHUR SANDLES

their holidays and the num-

ber of overseas visitors to the

The British spent £245m more

abroad than the country earned from tourism, compared with a

While 19m Britons went

WITH the aid of a parrot and the television dancing group Lipstick, Mr Freddie Grey, mau-

aging director of Technicolor

(UK), yesterday launched a

The new Technicolor minia-

ture video system uses a 1-inch ape almost the same size as a

conventional audio cassette, and a 7 lb portable rideo recorder.

It should cut by some 75 per cent the cost of making a seven-

minute Snini film, at present about £10,000.

Tapes last 30 or 45 minutes.

so that the system is aimed mainly at the home movie mar-

micro-rideo casselle recorder.

country dropped.

return on assets worth £9,5bn.

present financial year.

last April revealed an accumulated loss of £970,000.

That included an overdraft Mr Needler sald the receiver

of £700,000, which the club's baokers required it to halve. This was done hy a £325,000 loan from Mr Needler himself, who also guaranteed £225,000 of the rest of the overdraft.

Mr Martin Spencer, the receiver, was called in a few Weekly losses have risen years ago to help sort out a gate of 3,000 and slipped into

British Gas set to make

estic and commercial custo-

mers in the past few months.

Even so, it seems that most of the profits have been gener-

ated from sales to commercial

Mr John Moore, Parliamen-tary Under-Secretary of State

for Energy, said yesterday that British Gas would barely hreak even" on domestic sales during the present finacial

year. He was commenting on the

corporation's announcement

that domestic prices are about

to rise again: by 12 per cent on April 1 and a further 10 per cent on October I.

The rises—bigger than British

Gas had originally wanted—follow a directive from the Gov-

eroment that over the three years 1980-83 domestic gas prices should rise by 10 per

British Gas said yesterday

that customers living in a typi-

cal three-bedroom semi-de-tached house using gas for

central heating and hot water,

The figures reflect rising oul-

North Sea combined with flag-ging domestic demand caused

hy the recession. While produc-

tion rose 11.1 per cent, home

demand for petroleum fell hy 4.2 per cent on a primary fuel

consumption dropped to the lowest level since 1968, to stand

at 313.9m tonnes of coal equiva-

1980. Imports fell in the year lent, 3.7 per cent less than in spirit prices rose by 21 per cent from 46m to 36m tonnes.

Britain suffers biggest tourism deficit

BRITAIN suffered its biggest abroad last year, an increase of in the UK, while UK residents

America rose hy 3 per cent,

profit of £233m in 1980 and but that there was a rise of said the figures had held up well in spite of last year's bad other deficit since 1967 was of UK resideots crossing the unity £1m, in 1973.

Of the British Tourist Authority, said the figures had held up well in spite of last year's bad weather and transport problems. Traffic had improved markedly

tourism deficit last year as UK 9 per cent, only 11.54m visitors spent £3.3bn abroad. residents flocked abroad for came to the UK from overseas. In December 193

-a fall of 7 per cent.

the shops in a month.

ket. A two-hour lape will be duced the lightest, smallest and

available in summer, however, simplest video system in the and Technicolor hopes it will world, ready to take over from

then be able to compete in the Smm sound film in an "image

is marketing the video system demonstration, home video film-

Grundig is believed to be

tion of the work of the Japanese

inventor who holds the patent for techniques involved in the Technicolor system.

rejention market" which is

According to the company's

Technicolor says it has pro-

On the other hand, industrial would find their hills rising hy be 40 to 60 per cent sales have been hit by the ream average of 58p a week in than oil or electricity.

Oil exports soar ahead of imports

cent annually in real terms.

and industrial customers.

cession and by supply interrup- April and a further 53p a week

tions because of the need to in October. As a result, the meet peak demand from dom- annual bill for such a home

The figures reflect rising oul- Coal production, from put in the British sector of the November 1981 to January 1982,

Over the year the UK's energy 20 per cent of supplies).

Provisional Department of of a per cent on the previous

Trade figures show that the December, and 750,000 British

number coming from North went abroad, a 9 per cent rise.

Technicolor launches micro-video system

challenger in the home movie market

in Britain, expects tosell 10,000 ing can now be done while sky-this year and double that next diving or roller skating as well year. The camera and recorder as while getting married will cost £1,200, and will be in Dancers can carry the equip-

putting a similar system on the of tiredness. Parrots can be market soon, based on a varia- recorded on cassette without

Overseas visitors spent £3bn since the summer.

profits of over £300m

THE FINANCIAL crisis in the from £7,000 to £9,000 and its the Fourth Division for the first time at the end of last adequately an increasing burnary according to the problems appear denoted the first time at the end of last adequately an increasing burnary according to the reaching a head.

League balance sheet for the year to financial crisis at Chelsea Foot-season.

League balance sheet for the year to financial crisis at Chelsea Foot-season.

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League balance sheet for the year to financial crisis at Chelsea Foot-season.

would restructure the set-up at Hull, create a scaled-down subsidiary company ont of the club and its ground and attempt to altract someone to take it on. The existing com-pacy would go into liquidation. Hull has been everaging a

would run at ahout £307.60 a

The National Gas Consumers

Council attacked the latest price rises. It aaid: The coun-

cil has argued for several years

that the present government policy—of forcing gas prices up and creaming off the result-

ing profits-is an unfair burden

on consumers," Rises should be

no more than is required for

the efficient operation of the

Mr Moore said that domestic

prices were heing forced up partly to reflect the rising cost

of North Sea supplies and partly

to bring rates more in line with

latest increases, domestic gas

prices were cheaper in real

terms than they were in 1970.

Domestic gas prices were now

about 45 to 60 per cent cheaper

than competitive oil or elec-

tricity prices. Even after the

April 1 rise, domestic gas would

be 40 to 60 per cent cheaper

fell 4.4 per cent to 31.3m

tonnes. Gas supplies in the same period rose 6.5 per cent; this included a 15.9 per cent increase

in the amount landed from the

Norwegian sector of the Frieg field (which accounted for about

Prices, on the other hand, con-

tinued to rise. Oil and motor

In December 1981, 610,000

Sir Henry Marking, chairman

of the British Tourist Authority,

Raymond Snoddy reports on a low-cost duced the prototype of an inte-

sucht while putting on a routine,

without showing obvious signs

losing their colour.

Mr Jack Minor, president of
Technicolor Andiovisual of Call-

fornia, said sales of the micro-

video on the continent were 10

times higher than in the U.S.

and he expects similar results

Although the Technicolor microvidco equipment is

arc produced in the U.S.

equipment

Japanese both tape and battery simply transferred on to VHS.

The company has already pro- three main video systems.

visitors came to the UK, a fall

He said that, even with the

those paid by industry.

League club chairmen have just completed a two-day meet-ing at which they concluded that they had to put their own

could he attracted into the One estimate puts loans and

drawal of support by the hanks. Bristol City was only recently saved from a fate similar to Hull's following e last-minute deal hetwen its board and sevhouse in order hefore adequate amounts of outside money eral players on the financial

Darlington has been in the overdrafts of the 92 league clubs midst of aerious financial diffiat about £25m. Few have assets in the form of players to cover culties and Derby County's programme.

Judgment on

ACC bids

on Monday

By Raymond Hughes, Law Courts Correspondent

NINE DAYS of legal argu-

ment provoked by the bitter takeover battle for Associated

Communications Corporation

ended in the Court of Appeal yesterday. Judgment is expected on Monday.

The three indges have to answer two questions about the conduct of ACC's direc-

tors in relation to the first

offer for ACC made hy Mr Rohert Holmes à Court's Bell

Did the directors hreach

one of ACC's articles of asso-ciation by accepting tha offer.

at a price that did not con-

form with the pricing formu-

la laid down in the articles?

Did the directors act in hreach of duty hy entering

into irrevocable commitments to transfer their own ACC voting shares to Mr Holmes

The jndges' answers to these questions could decide the battle for ACC between Bell and the Heron Gronp.

Bell has made parallel offers of £36m and £46.6m; Heron has raised its original £46.6m

It has been agreed that the

court's ruling on Heron's appeal against the High

Court's refusal to make tem-

porary orders preventing the

Six events made up that

hreach, he said:
On January 9 the directors accepted a five-day deadline

imposed by Mr Holmes a

Court for acceptance of his

offer, and did not look for an alternative solution to

Not until January 13 did

the directors contact Heron about the latter's approach

two days earlier.

They decided to accept the Bell bid without even seeing

• When they did meet Heron they gave it only 30-40 mlantes to make up its mind

whether to huy "a pig in a

They used an asset of ACC

an agreement with the Inde-

pendent Broadcasting Antho-

rity-to help Mr Holmes 2

By committing themselves to Mr Holmes a Court they sbut out all other offers for

gral video camera and recorder, which Mr Minor hopes can be bought on to the market in 1985.

Hitachi, Matshushita, JVC, Pbilips and Sony have agreed outline specifications for another such integrated mini system to be marketed in 1984.

Tachnicolor says its new

of filmed material through the video camera's integral mini

TV screen, allowing unwanted footage to be erased. Material can also be played back instantly

in colour and sound through an

ordinary television screen, but a tuner is required to record

Material recorded on the Technicolor system can be

Betamax or Video 2000, the

television programmes.

Court.

Heron's representatives.

ACC's problems.

hid to £49.4m.

Group:

expected

Financial Times Monday February 92 1982

The Football Association sald terms for ending their concompleted

it believed Hull was the first professional club to call in a receiver. The only club to collapse in mid-season since the war was Accrington Stanley In 1962. Bradford Park Avenue also went broke hut went into liquidation only after, it had its professional

transmission links, to be leased for £300,000 annually. The links, due to enter service in

a year's time, will radiate from

a central exchange in London and will cover about 1,000

The circuits will form the

backbone of a nationwide pri-

vato network which the CEGB

is installing et a cost of more than £10m. It will connect tha

board's headquarters in London,

its regional and divisional offices, the London Electricity

The network will at first carry

the different offices, which will

also be able to dial into the British Telecom public tele-

phone system. It will he ex-tended later to carry computer

than the older analogue tech-

nology still in use in most of Britain's telephone network. It

also makes it technically easier

to send computer data across

the same circuits used for tele-

FIREDAMAGE

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G.B.

CEGB orders digital **Telecom services**

hoards.

BY GUY DE JONQUIERES

Electricity com is for 11 high-capacity Central Generating Board has become the first major customer for the digital communications services announced by British Telecom last month.
The order is the opening shot

in the battle for the newly-competitive market for The advanced business transmission backbo services, which will pit British Telecom against the indepen-dant Mercury communications system to be built by a consortium led hy Cable and Wire-

Mercury is not due to start operating until the end of the year and its service will be limited initially to the City of London. Sir George Jefferson, British Telecom's chairman, said yesterday the CEGB order showed that this organisation could aell digital services now

and provide them against tended later to carry computer demanding deadlines.

The CEGB, nne of the country's biggest users of domestic telecommunications faster and more efficient service services, has also held talks with Mercury's hackers. It may decide to use the independent system as well as British Telecom in the future if Mercury

The order with British Tele- phone communications.

Fire damage costs rise BY ERIC SHORT FIRE DAMAGE costs appear

directors transferring their shares to Mr Holmes a Court to have resumed their upward will he a final order, avoid-ing the need for a full trial trend, according to the latest figures from the British Insurance Association. Summing np Heron's case, Mr Peter Curry, QC, said the directors' hreach of duty lay Damage in January cost £34.7m, over £4m bigher than in December and £5m above in their failure to give proper consideration to Heron's original offer.

January last year. This is the third successive month in which costs have been higher than the same month of the previous year, after several months when costs dropped. considerably on costs for the

previous year after several years when costs climbed steadily.

The hig fire at an Army depot the damage in January. In three in Hereford, costing £3.5m, other fires damage exceeded accounted for 10 per cent of £1m in each case.

Cost studies at shipyard TWO TEAMS of independent consultants have been called in by Harland and Wolff, the State-owned Belfast shipyard, to

advise on how to reduce operat-

P. A. Management Consultants and A. and P. Appledore have been asked to report to the company's board in three months. PA will examine Harland and Wolff is desperate administrative and organisational practices and Appledore confirmation of its hopes of will advise on shipbuilding

it particularly wanted to find ways of reducing the physical layout of the shipyard. does not necessarily mean that redundancies will be delayed. Dr Vivian Wadsworth, chairman, has indicated that several hundred jobs will have to go this spring.

The company said yesterday

winning a 170,000 tonnes bulk carrier from British Steel.

Demand for rare wines

BY EDMUND PENNING-ROWSELL CHRISTIE'S first Fine and Kare wine sale of the year yesterday showed that there is no lack of demand for rarities and leading wines of top

Among the rerities, a single bottle of Mouton-Rothschild 1873 fetched £145 and one of the same chataau's 1899 made £135, while a bottle of Latour 1893 reached £155.

Single bottles of Latour '28 single bottles of Latour 28 Bages £330 and Montrose £320 and '29 brought £140 and £155 The best bargains were a highest the '45 reached £310 and six hottled, single vineyard '69 and of the '49 made £360. Later, six '70 burgundies at prices ranging bottles of the celebrated ing from £84 to £135 a dozen.

BY ANTONY THORNCROFT

SALEROOM

Cheval-Blanc '47 went for £620 and six of the less renowned 49 fetched £400. But it was the '61s that made London saleroom records: Lafite £1,200 a dozeni Latour £950, Ducru-Beancaillou £460, Lynch-Bages £330 and Montrose £320.

Interferon 'clears colds'

Plant will produce fuel from used tyres

By Lorne Barling

THE WORLD'S first commercial scale plant to produce oil, solld fuel and scrap ateel from used tyres is to he set up in the West Midlands at a cost of about £6m. It will be barked by the Department of Industry and the European Community.

European Community

The plant, which will use about 50,000 tons or 5m cartyres a year, will operate "pyrolysis" technology developed by Foster Wheeler Power Plant of the UK which will hold a 17.5 per cent interest in the venture.
It will be operated by Leigh

Interests, the Wolverhamptonbased waste processing com-pany, which will also hold at 17.5 per cent share in the new Tyrolysis.
Mr Ken Griffiths managing

director, sald the plant woold

be at full capacity by 1984, producing 20,000 tons of light fuel oil a year, 17,000 tons of colulike solid fuel and 7,000 tons of scrap steel.
"We have done some pilot marketing of the products and

they have proved to be entirely aceptable.
Foster Wheeler and Leigh are each providing £550,000 in capital for the company. A further Council, area electricity hoards and ona of the two Scottish £4m bas heen raised through a private placing by L. Messel in which Equity Capital for Industry, ICFC and County Bank are the biggest share-

holders.
The Department of Industry. has provided £1.1m and the EEC development fund £1.3m.

Arts Council post for Rees-Mogg THE chairman of the Arts

Council of Great Britain will be Sir William Rees-Mogg, editor of The Times from 1967 to 1981. He will succeed Mr Kenneth Robinson whose term of office expires on April 30. Sir: William's appointment will run until March, 1987. Sir William is vice-chairman of the BBC and proprietor of

Pickering and Chatto, the anti-quarian hooksellers.

Benn warns of microchip 'threat'

THE microchip could cause. unemployment, social disruption aod "tyranny in the guise of liberation". Labour MP Mr Tony Benn said in a film released yesterday.

"The people who are dis-

placed by the new technology become unemployed, they have to be paid for out of taxation, and society then moves towards the social disruption that come from high technology." he said in the film, New Technology— whose progress? made by a group called Education Media:

Police authority chief urged to quit

LADY MARGARET SIMEY, the controversial 76-year-old chair-man of Merseyside Police Authority was urged to resign yesterday by the chairman of Merseyside Police Federation, which represents 4.500 police. Mr Fred Jones said remarks made by Lady Simey earlier this week, to a Home Affairs select committee, undermined the work of Merseyside police. Lady Simey had said a police officer

—not a member of the Mersey-side force — had sought vengeance after she had com-planted about the officer. UK cigarette

sales drop

THE UK tobacco industry yes-terday criticised a report from the European Commission which suggested that cigarette con-sumption in the UK had risen over the past decade.
Total UK cigarette sales in 1970 were almost 128hn, while last year aales fell to about

Warning on post sorting switch

THE mechanisation of postal sorting would fall two years behind schedule through fack of funding. Mr Ron Dearing. Post Office chairman, said. yesterday. Next year the Post Office will

have to repay £25m Govern-ment loans. The mechanisation programme is at the half-way stage, with 47 of the planned 84 sorting offices in operation

RHM claims lead in food from fungus

BY DAYID FISHLOCK, SCIENCE EDITOR

Mainstream video market. retention mark
Mr Ron Sulkin, managing about to hoom.
director of Sulkin (UKt, which According to

A DECISION is near on a £20m palatable imitations of chicken, the 50-tonne pilot plant. investment by Ranks Hovis \$18,000 each—declarior that McDougall on a new food made "we don't want in embarrass he histochnology. Prof Jack Sir Kenneth hy negotiating the Edelman. RHM's director of research, told a new-technology investment conference in Lon-

don yesterday. Prof Edelman said at a conference on investing in hiotechnology, urganised by In-vestment and Property Studies, finlshed. that he believed RHM had a five to seven year lead over other food companies hecause of the Irouhle it had taken 10 get government approval for its new protein,

The protein, mycoprolein, is tonnes of Mycoprolein e year, farsighted view that RHM Dp Pont's \$200m (£108.99m) a produced from plant starch in says Prof. Edelman. must start with a feedstock that year research programme in the form of a fibrous edible. It would cost about £1.5m was edible, in contrast to the the lifa sciences, warned the fungus. It can be used to make and would be built alongside protein-from-oil processes, and conference that it would

veal, ham and other high-protein foods.

costed at today's prices. To would he the commercial plant, hring its process to a stage producing about 30,000 tonnes where the development pro-gramme — involving 30-40 people at the High Wycombe laboratories - was Much of the cost had been

absorbed by loxicity end nutriilonal studies to satisfy the Government on safety. The RHM made the first investment next step would he a demonstration plant, producing 1,000. Lord Rank had taken "the tonnes of Mycoprotein e year, farsighted view" that RHM

could be converted into 20 colour. Prof Edelman estimated that tonnes of food products. But RHM had spent almost £30m, the critical investment decision a

> a year of the raw materialthe optimum size, he said. Prof. Edelman warned hankers and investment analysts of the long time scale

The original target had been technology making protein for tha Third World, but in the 1970s it hecame class that until it was established in the West poorer countries would not

RHM's laboralory canteen had analysts of the long time scale involved. It was 18 years since Lord Rank, then chairman of RHM, made the first investment decision.

A surprisingly large proportion now choose them when they are available," said Prof. Edelman. Dr Ralph Herdy, director of Dn Pont's \$200m (£108.99m) 2 year research programme in

that texture would be more probably be the 1990s before One tonne of mycoprotein important than either flavour or the new biotechnologies based on genetie engineering made aignificant commercial impact.

The first impact would come in health-care products. In 1979 Du Pont became the first U.S. chemical company to launch its own research programme in genetic engineering, he said.

Dr Hardy said there was no evidence of enyone becoming lll through genetic engineering. He balieved that within five years the industry would have e surplus of people skilled in genetic engineering—"closers," as he called them—hut a deficit of blo-engineers skilled in

BY DAVID FISHLOCK, SCIENCE EDITOR HIGHLY PURIFIED interferon. interferon had been supplied by produced both from natural cells

and hy genetic engineering, appears to prevent the common cold when sprayed up the nosc. This is the conclusion of medical researchers from initial trials on 41 volunteers at the Medical Research Council's Com-

mon Cold unit at Salisbury. In an address to the Royal Society in London yesterday, Dr G. M. Scott reported that both types of interferon completely prevented colds in all volunteers

The natural interferon had been obtained from Helsinki and highly purified by new British techniques at Cam-

The genetically engineered of the year.

the laboratories of Biogen, the Geneva-based genetic engineering company, in collaboration with the U.S. drug company Schering-Plough. Dr Walter Gilbert, chairman of Biogen, said that Schering-

Plough plenned to launch initial triels with its interferon on about 15 different diseases this year. Each trial would involve ahout 30 patients, in some cases termically-ill patients. It will be tested on several different cancers, multiple scierosis, hepatitia shingles, and virus diseases of the lung and eye. Biogen would be spending at the rate of about £10m e year on its genetic engineering

research programme by the end

must m satisfied lorn th The Contin

ted if the re nation. duction mining bordb **ተር**ግክበ1 Fur Comme tivity #4::**d**< macrisis. تو مارز sector. °oT. Th the f

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Top GLC officials back cheaper fares campaign

THE campaign by Mr Ken Livingstone, the Labour leader of the Greater London Council. to persuade the Government to change the law on transport subsidies was backed in public for the first time yesterday by top permanent officials of the GLC, led by Sir James Swaffield. the director-general and clerk to the council.

Until yesterday. Sir James and his permanent officials had remained discreetly apart from Mr Livingstone's campaign.
Yesterday, Sir James was joined by Mr Maurice Stonefrost, the GLC comptroller of finance Mice Audient James forset, the GLC comptroller of finance, Miss Audrey Lees, the controller of transportation and development. Mr John Fitzpatrick, the director of administration and the solucitor to the council, and Sir Peter Masefield, the chairman of London

Transport, at a Press conference at County Hall, the GLC headquarters. They spelt out the consequences of the Law Lords' judgment in December. which outlawed the GLC's fares fair policy, and urged the Government to change the law to make higher subsidies

The policy, which cut fares on LT by an average of 32 per cent last October, comes to an end on March 21. Fares will then rise by an average of 100 per cent, and "London will get the most expensive urban public transport system in the and Amsterdam, Sir Peter said.

world," Sir Peter said.

The cut of 32 per cent had brought bus and tube fares down to "precisely the same level of the fares that were in force in 1969 when the Transport (London) Act, governing the way GLC can aid LT, was passed," Sir Peter said.

The cut in fares bad generated 7 per cent more passenger traffic on the tube trains and 12 per cent more on the buses. This compared with a loss of 2 per cent of passenger traffic every year for the past 20 years.

The fare cuts had also cost London Transport about 20 per cent of its revenue compared with the same period 12 months ago. This loss was £140m in a full year, but LT had lost £65m because the "fares fair" policy months by the time it ends next

Brewers expect 2%

fall in beer output

BY GARETH GRIFFITHS

is likely to decline further this in the economy.

refused to make longer-term forecasts. This uncertainty reflects the industry's confusion over beer demand.

Brewers are pinning their

hopes for a recovery in demand on a rise in real disposable income. The prediction for a levelling-out of demand in 1983, with perhaps a 1 per ceot rise, is based on an assumption that the economy will show some signs of recovery in lale 1982 The UK beer market totalled - 38.7m bulk barrels in 1981, a fall of 4.9 per cent compared with 1980. The Brewers' Society said beer production in the UK last year at 37.7m bulk barrels. was lowest since 1973 and was 8.5 per cent lower by volume than the peak production of

BEER PRODUCTION in the UK trade to benefit from a recovery

Mr Palmar said the number sgainst 1981. The market should level out next year, the Brewers'
Society said yesterday.

A panel drawn from across the industry has produced estimates for 1982 and 1983 but 1971 to 174,000 in 1980. Non-refused to markets, rose from 146,000 in 1980. Non-refused to markets and supermarkets. public bouse outlets numbered about 100.000.

Meanwhile, the Campaign for Real Ale yesterday published its annual Good Beer Guide with a call for greater flexi-bility in public house opening bours. Mr Roger Protz, the guide's editor said that the "nanny knows best" attitude of public house hours was out of date.

Camra is concerned about the condition of public houses.
"It is a fair bet that 20 of
the 6,000 public houses mentioned in the guide will be due for demolition in 1982, another 20 will be boarded up or transformed into a bouse, shop or office, and 200 will have been altered so drastically that they would not be recognisable.

Mr Derek Palmar, chairman Good Beer Guide, £3.95, pub-of Bass and of the Brewers' lished by the Campaign for Society, suid vesterday that it would take time for the beer Albans, Herts.

'Spirit of competition' in Levi Strauss tab move

LEVI STRAUSS moved yesler- be a trademark covering all day to defuse the controversy surrounding its application for a trademark on labels sewn into

It said the application had been made "in the spirit of fair competition." The company added that it "encourages all its competitors to seek to disthiguish their products by means of their own unique and distinctive marks.

Only in this manner can manufacturers hope to compete freely and fairly and can consumers hope to distinguish products with clear knowledge of who manufactures

them."
The U.S. manufacturer has antagonised the British clothlog industry by attempting to extend its trademark on the tab sewn into the left-hand seam of a pair of its jeans into what the industry consider to and trousers."

labels. It bas aroused further opposition by considering an extension to cover all clothing

The original trademark. covering five colours-red, orange, white, black or granted in 1972.

In 1977, Levi Strauss filed a further application, trademark application number 1.084.867, concerning "labels respectively coloured in red, orange, white black or blue sewn into the seam or flap of a pocket." This is still being considered.

The clothing industry is concerned that this second appli-cation would exclude any other manufacturer from using a tab In these colours in any garment. Levi Strauss said yesterday that this application was quite specific and related to "shirts, hlouses, skirts, jackets

Expulsion for car dealer

THE MOTOR Agents Association, representing most of the UK retail motor trade, has expelled a former Yorkshire Toyota dealer for selling cars had heen "clocked" thad their mileometers turned

Mr Slewart Longhone, manag-ing director of Richard Jordan Motors of Bridlington, was jailed for six months under the Trade Descriptions Act last cancelled the company's frauchise.

although another trader is ex pected to face the association's disciplinary committee soon for

The association says fewer clocked " cars have been sold since a spate of publicity about prosecutions last year.

It wants the Act changed to give wider powers of prosecu-tion. Al present, it is not an offence to turn back a mileore company's franchise. meter, only to sell a car on this is the first expulsion for which this has been done.

Wheel clamp plan opposed

BY JOHN GRIFFITHS

BRITAIN'S motoring organisations, the RAC, AA and Royal Scottish Automobile Club, have together condemned the pro-nosed use of wheel clamps on illegally purked cars.

Mr David Howell, Transport Secretary, is considering legislation to let the police immobi-lise vehicles with the clamps and release them on payment of a substantial charge.

organisations standing committee yesterday said their use would merely

prolong an obstruction, and be regarded as an unreasonable and potentially dangerous method of enforcement It said this would prejudice police-public relations, and called instead for better park ing facilities in towns and

The clamps—invented in the U.S., where they are called Denver Boots, after the city in which they were first used to "man traps used in the old

days to catch poachers.

Air traffic rose 5.2% last month

By Michael Donne

double in three weeks time 18

per cent of passenger traffic will

be driven away from the buses

and tubes. The new fares will be twice these offered by urban

transport authorities in Paris

authorities.

to break even.

GLC finance controller, pointed out that the government policy

of penalising local authorities for spending above government-set targets, had the affect of

almost doubling last year's supplementary rate over the level needed to pay for the low fares.

Mr John Fitzpatrick, the GLC

The recent increase in UK air traffic continued last month, when the seven air-Airports Authority handled 2.9m passengers, 5.2 per cent more than in the corresponding mouth last year.

solicitor, said the Law Lords' ruling had made two things "eminently clear." There was This is regarded as a particularly good result, in view of the harsh weather earlier in the month, which caused now a pressing need for a clari-fication of the GLC's righta to make grants to LT. And changes The rail diapute later helped to boost air traffic, bad to be made to overcome the

differences that now existed bealthough it prevented some passengers from reaching Gatwick Airport, where the tween the laws affecting the GLC transport operations and affecting other local 12.3 per cent rise in traffic would have been 15 per cent Sir Peter Masefield called for two specific changes. He said that section five of the Tranother wiae.

As a result, domestic traffic out of Gatwick fell by 4 per cent and that to the U.S. by 7 per cent. But boliday charter traffic from Gatwick sport (London) Act 1969 cover-ing the GLC's requirement to provide services that "best meet the needs of Londoners," had to grew by 20 per cent, clarified and so should At Heathrow, passenger traffic rose by 3.6 per cent to 1.92m, with domestic traffic section 7 about the need for Mr Maurice Stonecroft, the

gaining 12 per cent (because of easier underground rail connections to Heathrow). U.S. traffic gaining 3 per and other long-haul routes 7 per cent.

Cargo traffic also improved in January, by about 3.2 per cent, to 48,300 tonnes.

'Too dear' to stop Concorde aid

(+)35.0 (+)28.3

CANCELLATION OF public support for Concorde would be more costly than to continue funding the project with tax-

payers' money, the Department of Industry has told MPs.
Department figures, published in the report of the Commons Industry and Trade Committee, estimate that continuing public support would cost £5,9m over the five years to 1986-87. Cancellation would cost £34.2m over the same period, mainly due to severance payments on con-tracts for the provision of spares for the aircraft.

Both sets of figures have been revised down substantially since the heginning of last year, when the cost of continuing support over the five years was estimated at £56.7m and the cost of cancellation £47.5m.

The department says the cost of continuing support is reduced by including anticinated aurpluses on British Airways' Concorde operationa.

But the Commons committee

is suspicious of the projected surplus. And in a strongly-worded report it says it is "still dissatisfied with the Govern-ment's efforts to reduce the amount of public money spent on Concorde, inspite of reductions made already. It reiterates criticism made in

its earlier report last year, that Concorde had acquired "a life of its own and was out of control." It stresses: "Much more effort still needs to be made to ensure that the British taxpayer

The committee also wants a more equitable sharing of costs with the French partners in the venture. The imbalance "has venture. The imbalance '

been and still is very much in favour of the French." In its evidence to the committee, the Department of In-dustry says that if public funds for Concorde were withdrawn, tha aircraft may have to stop flying unless the airline and the manufacturers. British Aerospace and Rolls-Royce, agreed to bear the support costs.

British Airways has seven
Concordes which fly regularly
between London and New York

and Washington. The airline estimates that its Concorde operations will make surpluses of £5.4m in 1982-83 and £7.4m each year thereafter

costs, the burden on public funds is substantially reduced. But the Trade and Industry Committee is highly suspicious of this action as well as of the projected surpluses. Its report says: "We doubt

RELATIVE COSTS OF CONTINUING AND CANCELLING GOVERNMENT CONTRACTS FOR CONCORDE IN-SERVICE SUPPORT

whether a future British Airways' surplus on Concorde can be described as public funds, despite the efforts of departmental witnesses to persuade us to accept that view." The committee is also critical

of views expressed by Mr Norman Lamont, Minister of State in the Industry Department, who said the British Airways' surpluses "are subject to the uncertainty of the market. They have to be tested."

An "imbalance" in favour of

the French partners in sharing costs of the programme until 1986-87—a total of £35m. By including these estimated attacked by the MPs who call for extra Government action to

In its earlier report, the com mittee had said: "Since the UK has borne more than 50 per cent of the costa so far (over £900m) and the estimated future costs show a widening disparity, we recommend that renewed efforts be made to secure equal sharing with France of the costs incurred to date and, if the project is to continue, to secure that future

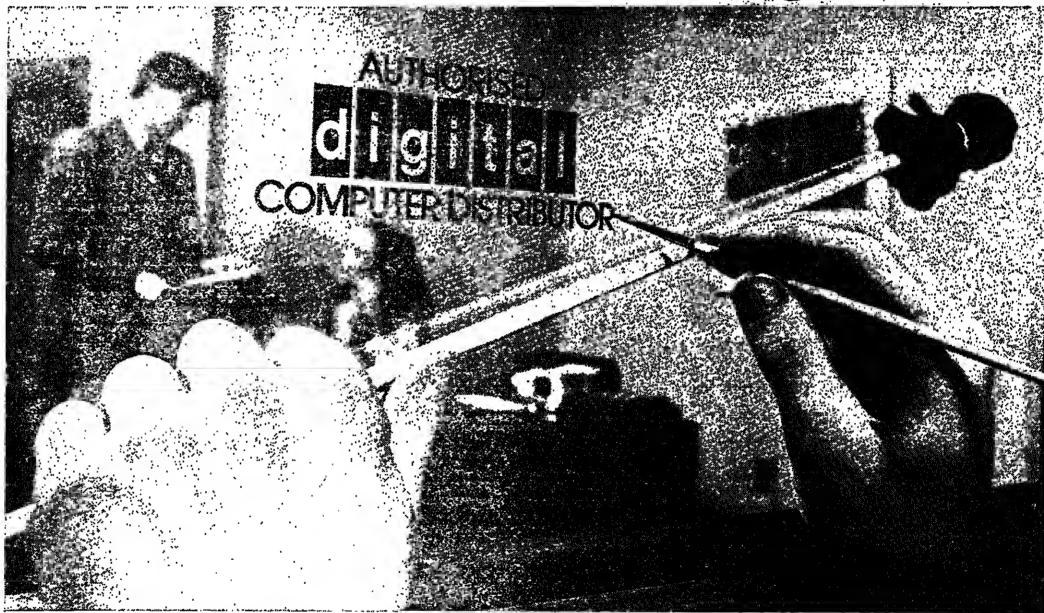
(+) 0.8 (+) 0.7

costs are also shared equally." The committee is critical of the delays in settling this

The Government is urged to draw up, in agreement with the balance of advantage for or against continued use of public funds for Concorde.

· Second Report from the Industry and Trade Committee (1981-Concorde: Paper 193, SO, £3.20.

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To Teresa Gubbin, Dicital Eco

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We change the way the world thinks.



Financial Times Monday February 22 1982

WEIGHING 111 lbs and running to 2,000 pages, the latest section of the official bistory of the House of Commons appeared yesterday after nearly 30 years in the making.

The author of the three bulky volumes, which cover part of the Elizabethan period 1558-1603, is Mr P. W. Hasler, general editor of the history, who was backed up by a formidable team of 42 contributors and researchers.

The work is produced by the History of Parliament Trust and is published by Her Majesty's Stationary Office at £95. Needless to say, at this price the main custo-mers are expected to be libraries in the UK and the

For the first time a com-

puter was used to compils the elaborate series of tables which give detailed harkground on the MPs of the period. Reading through the statistics one almost gets the feeling of heing ahle to work ont what a particular mem-her had for dinner on a cer-

tain day.

The mins of information includes a breakdown showing which universities or itas of court members attended, the number of Catholics and where they were educated, married members and what social class their wives came from, ages of MPs, family hackground, religious affiliations, subjects on which they spoke and committees they attended.

Although the scholarship is impeccable the great tomes

also provide a remarkably racy read and will be invalu-able not only to historians hot to writers of bistorical fiction. There are 2,668 hiographies of Elizabethan MPs which,

taken together, provide a colourful tapestry of a violent There is a long piece on Sir Francis Walsingham, who, apart from being Queen Elizabeth's spy master, was soccessively MP for Bossiney in

Cornwall, for Lyme Regis and

for Surrey. From an early stage be was doing intelligence work for William Cecil, the Lord Treasurer, advising him—in terms that any modern government would recognise: There is nothing more dan-

geroes than security." Unfortunately be did not

endear himself to the Queen, who had a personal antipathy towards him and his "gloomy prophesies." He was defi-

nitely a nag.
"I would to God Her Majesty would be content to refer these things to them that can best jodge oo them as other princes do," he complained.

On another occasion he griped that there was no counsellor in her service "who would not wish himself in the furthest part of Ethiopia than to enjoy the fairest palare in England."
And again: "For the love of God madame, let not the

care of your diseased state tarry any longer on delibera-

No wonder Queen Elizaheth finally lost her temper and threw a pair of shoes at his

There is also a colourful "rogues gallery" of mem-bers. This includes one Thomas Chatterton, cattle thief and poacher, Thomas Fi(zherhert (sic) who murdered his wife by polsoning, and William Gardiner, "a false forsworn knave" who swindled his father and the Exchequer and then fled abread.

There was also John Killigrew II, who was not only a vice-admiral but a pirate and smuggler as well. Hardly surprising when he was the son of another memher, John Killigrew I who was a cattle thief, pirate, smuggler, piracy commissioner and a justice of

the peace. Sexual scandal was not

Lady Bulkeley figured in one of ths most sensational trials of the day accused of murdering her husband, Sir Richard,

who was an MP. It was claimed that she committed adultery with "one William Kenrick who did used to walk under the said Agnes her window in the night time, playing upon an instrument and make love to her when Sir Richard was from home in partiament." But at the end of the day she was acquitted by the Court of Arches.

Life for MPs was dangerous uncertain. members died as a result of dnels and four by suicide, although one of the snieldes. Sir Henry Percy, was widely to have heen

secretaly disposed of in the Tower because he was an ebarrassment to the authori-

which a present-day parilamentarian would recognise. There even seems to be the beginnings of 2 "law and and order" lobby with one member , vehemently complaining that there should be a more painful method of execution than the customary drawing hanging. quartering.

Then, as now, there were the Commons ranters. One MP died "hy the rupture of a vein while making a vehement speech on the evil

John Hunt

Amersham row prompts review of tenders

BY IVOR OWEN

IN THE WAKE of the profit Government's professional make a judgment about price." the small investors and in particular people who work for the same quarter? be asked. on the shares of Amersham In- shown to have given the wrong ternational the Prime Minister advice had made "at least Elm indicated in the Commons yes- out of it." terday that more consideration

pose of state assets. Mr Michael Foot, the Opposition leader, condemned what he making any accusuation here termed the "scandal" of a that you would not make outvaluable undertaking owned by the taxpayers being sold off at

MR JOHN JONES, a husiness-

appointed by the Government

in the Commons last night,

Welsh Water Authority.

In a reference to the fact that Mr Foot was speaking with the to the use of tenders to dis-full protection of parliamentary privilege the Prime Minister told blm: "I hope you are not

> Amld mounting criticism from Lahour MPs she declared: "It is easy in retrospect to

to take over as chairman of the authority "into the streamlined, anticipated the decline

managing director of Anglesey

Mr Nicholas Edwards, the Welsb Office as Industrial directions. He felt the authority Welsh Secretary, made string tor. The names of most of the should have taken urgent cent criticisms of the way the members of the new hoard for counter-measures.

"I have asked the authority Mr Edwards said the ties showed disturbing trends as a matter of urgency to authority will make a loss of compared with other water submit manpower and other more than £8m in the current authorities. Independent re-

Announcing the appointment Aluminium in 1976 and since the authority were similar to

side.

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

He will succeed the retiring we all wish to see."

Chairman, Mr Haydn Rees, on Mr Jooes became deputy

authority has run its affairs in the authority will be announced recent years in about two weeks.

She pointed out that the offer price of 142p per sbare was decided over two weeks ago, and a chance to take up the sbares." had been choseo on the firm advice of professional City advisers who believed that it was the highest price at which the whole company could suc-

Mrs Thatcher acknowledged that there bad been some dis-cussion about conducting the sale on a tender basis.

Edwards strongly critical of Welsh Water Authority

She stressed: " If you do that

In a statement later he made and the old board a month ago and Price. Waterbouse-con-

He had reminded them that

According to Mr Edwards the

authority's employment statis-

ports fro intwe firms of city

accountants-Arthur Anderson

the economic conditions facing

cessfully be offcred.

man who has been serving with it clear that the Government and told them be was disconfirmed that significant reductive Welsh Office, has been would expect Mr Jones to certed to find that the authority tions in operating costs should appointed by the Government develop the organisation of the "had not apparently adequately have been possible.

efficient and businesslike body revenus arising from the we all wish to see."

1979 has been seconded to the those faced by other organisa-

Mr Foot argued that a similar

pattern of events had marked the sale of sbares in Cable and Wireless. He-called on the PM to ensure that if the Government persisted with the plan to sell off assets owned by the British National Oil Corporation the taxapayer would not be subjected to still further losses.

Would the professional advice

Robin Reeves adds: The

authority has been treated as a political football since birth,

Mr Rees complained at the

Commons select committee on

Speaking against the back-

ground of an impendiog Welsh

nationalist campaign for non-payment of water rates and

widespread condemnation from

industry over the level of water

charges. Mr Rees argued vigor-ously that his authority was be-

area of Clwyd, Wales.

Corporation, Shotton.

It will provide taxable allow-

ances to unemployed people who want to set up their own

The three year pilot scheme will go to Alyn and Deesside, Wrexham, Maelor and Delyn-

an industrial area badly hit by the closures at the British Steel

mission hopes to have the programme running by April.

ANY HELP to industry to pull out of the recession should be combined with temporary

measures specifically designed

to create extra useful jobs in

the next two years, Mr John Horam, the Social Democratic

Party's parliamentary econo-

mics spokesman urged yester-

Mr Horam said these measures would be necessary because "general reflation will

have only a very limited effect

repeated the party's aim of

taking a million reople "off the dole queues" in the next two

Mr Horam's speech represents

an attempt to spall out what the party would do in the forth-

coming Budget and to answer

He stated four main require-

criticisms about its policies.

ucemployment."

Welsh affairs yesterday.

ticular people who work for the The Prime Minister answered: "One takes the best possible professional advice."

Labour MPs scoffed wheo she suggested that it would have been quite possible to have put Amersham International on the market at a price at which it would not have been sold.

Mrs Thatcher emphasised: "In future we shall take professional advice and also con-

Mr Donald Anderson MP

(Lab, Swansea East) the com-

mittee chairman, stressed that

the planoed locrease of nearly

20 per cent in the authority's

1982-83 charges had shocked

public opinion, particularly given the Severn-Trent anthor-

ity's comparable rise of only

Mr Rses said that sioce water

charges were equalised in 1975-

1976, the average Welsh water

bill had risen only 83.8 per cent

whereas the England and Wales average rise had been 117.8 per

cent. Over the same period

prices for gas, electricity, post-age and telephone, and local

eotrepreneurial activity in

phot schemes aiready exist-in Coventry, the Medway Towns,

during a Commons debate on Weish affairs.

that spending an extra £2bn a year for the cext three years

could generate half a million

A cut in the National Insur-

ance surcharge.

A reduction of a half in the

present 3½ per cent surcharge would cost £1.7bn in lost revenue and generate about 75,000 jobs in two years, as well

as reducing industrial costs.

A full increase in tax thres-

holds and henefits in line with inflation, and a £1 increase in

• Specific job creation measures: in particular, a £70iob

a week subsidy to employers to

take on workers who have been

unemployed for more than six months, a job guarantee scheme

hased on a programme of house

improvement and insulation,

and a special effort to restore

The first two of these schemes

the youth job market

● A substantial additional could create half a million jobs

public investment programme. over two years at a cost of much

It's a pleasure.

creation

child benefits.

and north-east Lancashire.

Three Enterprise Allowance

The announcement was mada

Mr Alec Jones, Labour's

per cent.

ing criticised for faults which anthority rafes, had al Irisen were not of its own making.

Government sets aside £½m

THE GOVERNMENT is making the Welsh Development Agency

The Manpower Services Com-nission hopes to have the pro-ramme running by April. Welsb spokesman, claimed that no part of Wales had escaped the "ravages of the Govern-

The small firms councillors of ment's economic policies."

SDP spells out details of

policy for job creation

for Clwyd enterprise plan

Labour membership Fuel bills inquiry down 7% last year ordered

By Peter Riddell, Political Editor

MRS THATCHER has asked for an inquiry into the possibility of concessions to pen-sioners and low-income families over standing charges for gas and electricity.

The sharp rise in these charges has led to a wave of public protests to MPs.

Officials are, however, warning against expecting any marked changes in the im-mediate future.

The Prime Minister has asked Mrs Lynda Chalker and Mr David Mellor, junior Ministers at the departments of Health and Social Security. and Enegy to look into the

Their brief is to see whether any concessions can be made on standing charges to pen-sioners and low-income con-sumers. But it is being stressed that any belp would have to be financed in some other way.

This issue is likely to be raised in the Commons next Tuesday when a short debate is to be held on the 22 per cent rise in gas prices announced earlier this month.

In addition to sharp criticisms from Labour there may also be some discontent among Tory back-benchers who have received protests from consti-tuents. It is possible there could be a small rebellion in the vote at the end of the

Recipients of supplementary PLEAS for a review of the law rather than a charitable—trust.

Lord Belstead said: "What 2500,000 available to set up an will participate.

benefit can receive some help experimental Enterprise Allowance scheme in the Deesside night Mr Nicholas Edwards, and Separately, there is a benefit can receive some help on charities and for the establishment of a national disaster this tragic case has shown it is and separately there is a Welsh Secretary, said it would scheme to cover the cost of be a marvellous opportunity for deposits for reconnection after the discontinuation of service.

Thatcher denies cheap labour

By Ivor Owen

INDUSTRY'S improved capacity to compete partly reflects the action taken to end over-manning, the Prime Minister maintained in the Commons yester-

"Hidden unemployment is now out on the unemployment. register," she said. Mrs Thatcher e mphatically

denied that the Youth Oppor-tunities Scheme was being used to provide " cheap labour." She reminded Opposition critics of the acheme that it was first introduced by the last

Mrs Thatcher joined Sir Peter Emery (Con., Honiton) in deploring the decision of the TUC to expel any union which accepted state ald in order to conduct a sacret ballot of its-

Labour Government.

Secret ballots helped to ensure that decisions were reached democratically, and she hoped that unions were not afraid to

Next week in parliament

Travel

Monday: remaining (Lendon Bill), Northern Ireland Orders.

Tuesday: debates on effect of 23 per cent gas prics increase and on Central America. Wednesday: Canada Bill, Commlttee.

Thursday: Coal Industry Bill, remaining stages: Mineworkers' Pensions Scheme and Redundant Mineworkers Concessionary Coal Orders.

Friday: Private Members' Motions. - LORDS

Menday: Taking of Hostages Bill, Second Reading: European Definition of Treaties Order; debate on sea pollution.

Tuesday: Northern Ireland Orders; Civic Government (Scotland) Bill, Report. Wednesday: debate on less developed countries; short debate on plans for land near Beverley Minster.

Thursday: Marriage Enabling Bill, Personal Bill, Second Read-ing, Civil Jurisdiction and Judgments Bill: Mental Health Amendment B'll, Third Reading: Antiquities Bill, ComBY ELINOR GOODMAN, POLITICAL CORRESPONDENT

publication of new figures show-ing that the number of indivi-£550,000 in 1981. But the fall ing that the number of individual party members fell by around 7 per cent last year.

But the party insisted that the formation of the SDP last March. Officials blamed it largely on a 66 per cent increase in subscriptions last of Four, from the Labour Party, but Labour Weekly said that

The party's head office comstood at 303,953 in 1981, against 358,950 ln 1980. But Labour Weekly, which published the returns yesterday, believes that both figures are inflated.

The real figure for last year, on the basis of its own research, was nearer 300,250 it said. This compares with a comparable figure of 321,750 for 1980 and means that there has been a fall in membership of 6.75 per cent.

This means that Labour Party membership is still far higher than the 78,000 which the SDP now claims, and above the com-In 1978. But it is still a worrying figure for Labour, and mustserve as a further warning to the party of the risk it is running by its internal feuding. The figures also serve to nuderline the party's worries about

FURTHER evidence of the scriptions went up 66 per cent problems facing the Labour to £5. The increase boosted the party's income from local party came yesterday with the ties from £378,000 in 1980 to

but Labour Weekly said the evidence suggests very few party, puter shows that the official members bave followed the total of individual members original breakaways. The party's national agent,

Mr David Hughes, said very few local parties ad reported many members lost to the Social Democrats.
The party's official figures for

individual members have always tended to be inflated by the way parties affiliate. Until 1980 parties affiliated on the basis of 1,000 members even if they had far fewer. In 1980, the minimum affiliation requirement was reduced to 256, and last year it. fell to 128.

Even allowing for this, the figures suggest that the number parable figure of around 284,000 of really large parties has fallen. They also demonstrate how rundown some parties have become in inner city areas where the far left has been most successful in becoming established. In two Liverpool constituencies, where the Militant Tendency is Last year, individual sub- bership stands at only 168.

There are already a number of concessions on electricity National disaster fund plea

The question of a review arose after the Penlee lifeboat disaster in December. It was feared that not all the money raised through the disaster fund would go to the lifehoatmen's dependents because of legal and

The proble mwas resolved by declaring the fund a private-

Belstead, Home Office Under appeals need to be fully aware secretary in the Lords yester of the financial and legal consequences to the beneficiaries of establishing either charitable or

private trusts." He rejected a call from Labour's former Lord Chancellor, Lord Elwyn-Jones, " to look again at the law on charifies in view of the confusion and. difficulty which arose when this matter came before the public

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Engineering unions seek new structure in mergers

BY JOHN LLOYD, LABOUR EDITOR

A SERIES of moves in the next fails, it is likely that the four he helieved the executive

the big engineering and electheir separate ways. trical unions and a further merger of the sheet metal workers with either engineering technicians or a general workers'

The dominant union, the Engineering Section of the Amalgamated Union of Engi-neering Workers, will appeal against a judgment last Novem-

AUEW's smaller foundry and construction, could not merge with the Engineering Section because this would discriminate against the fourth, the white-collar section AUEW the AUEW, will review the position at its annual conference in June.

June 23.

If that appeal or any subsequent final appeal to the Lords

ference in June.

Mr George Guy, its general the meeting, we secretary, said yesterday that unproductive.

ture for union organisation in engineering.

This may include a merger of other ways of merging, or go

Both the foundry and the construction sections, especially the latter, have suffered sharp drops in membership and need to merge to lower costs. Mr John Baldwin, general

secretary of the construction section, has said he will try further legal moves to merge ruis upheld the certification officer's ruling that two of the other unions in construction, AUEW's smaller sections, foundry and construction, could not merge with the Engineering Section.

If these fail be will approach other unions in construction, such as the Electrical and Plumbing Trades Union

few months will lay the founda- sections of the AUEW, and the would seek approval from the tions of a radically new struc- major unions which want to conference either to seek a merger with the Transport and General Workers or with

Mr Guy said he favoured the Tass merger, since he believed that the future for craft workers lay in increasing technical skills, and in the divisions between them and technical workers becoming blurred.
The Engineering Section

The Engineering Section wants a merger with the 420,000strong EPTU, now barred because of the legal position.

Mr Terry Duffy, its president, said yesterday that be believed this "the most sensible course," and one he would pursue whatever the outcome of the appeal.

Informal contact between the

Informal contact between the various parties has failed to

Last week the executive committees of Tess and the construction section met socially to attempt common ground, but the meeting, while amiable, was

Civil servants condemn 4% wage offer

issue to go to the Civil Service soon as posible. Arbitration Tribunal.

the offer for "failing to respect Civil Servants to oppose the re-

The Council rejected, by

A meeting of the Council of seven votes to two, a move by Civil Service Unions condemned the Institution of Professional

CIVIL SERVICE unions yester. The resolution said the offer award to their 50,000 enginers day formally rejected the "does not form the basis for and technicians in Janury 1980 Government's 4 per cent offer, and repeated their call for the to be referred to arbitration as ing vote of Mr Calcutt. The ing vote of Mr Calcutt. The award was less than half of

However, the other junions with the exception of the small undertakings given by the appointment of Mr David Cal- Asociation of Government Government last year," and said cutt, QC, the chairman of the Supervisors and Radio Officers, it prejudiced the outcome of Arbitration Tribunal after his felt that any successor might the Megaw inquiry into Civil term of office ends next month. be even less favourable to their Service pay.

Sullom Voe workers accept pay deal

BY OUR LABOUR STAFF

Voe oil terminal in Shetland— day to the mainland. refinery in W who had threatened to strike The settlement includes BP's that amount. have settled their claim with BP, which operates the terminal

on behalf of 32 companies.

The 180 workers accepted new terms including double time for Saturday overtime work and for cent deals, established in the to meet process workers the second eight hours of a early stages of the oll industry leaders on Tuesday to discuss double shift. BP will seek ways pay round, is likely to be con- pay after a productivity-linked of cutting the cost for workers firmed when 160 process wor- regrading exercise.

Chartered

tingt on all

gregary, 18

e for lender

over their annual wage claim- original offer of 7.5 per cent increase on basic pay and an increase in the Shetland Island allowance paid to terminal hours. workers.

The general level of 8 per

PROCESS workers at the Sullom of taking their families on holi- kers at Amoco's Milford Haven refinery in Wales accept rises of

> Negotiations are continuing on a demand for a one-hour cut in the working week to 39 . Management at BP's Grangemouth refinery in Scotland are

More rail talks set as first peace bid founders

MR RAY BUCKTON, general secretary of the Associated Society of Locomotive Engineers and Firemen. yesterday stuck firmly to the eight hour day in the first negotiations with British Rail after Aslef called off its sixweek campaign of strikes,

writes Brian Groom. The rejected BR's proposals for flexible rostering, with a working day of between seven and nine hours, at an hourlong meeting of the loco-motive section of the Railway Staff Joint Council,

The swift failure to agree was expected. The issue will now go to the next stage in the negotiating machinery, the Railway Staffs National Council, probably on Monday. A repeat of yesterday's disagreement is almost certain. The issue will then go to the final stage of negotia-tions, the Railway Staffs National Tribunal, on March It has yet to be decided whether the tribunal's find-

ings will be binding. Aslef has made no signed agreement to vary the eightboar day. If th eunion sticks to this line after the tribunal reports, BR may have lost its sanction by paying the disputed 3 per cent of last year's pay deal.

It may then have to use

this year's offer, due for settlement towards the end of April, as a bargaining tool on productivity. BR said yesterday it bad received claims for "substantiai" but unspeeified wage rises from all three

Flexible rostering has been accepted by the National Union of Railwaymen and guards at more than 60 per cent of BR's 304 locomotive depots bave so far accepted

However, there was more disruption on Eastern Region last night when about 100 guards began an unofficial stoppage. The guards, who struck last Friday in protest at new rosters, were protesting at having their pay stopped for last Tbursday,

wben Aslef was on strike. BR said about half ef the trains from Liverpool Street in the evening rush hour were cancelled

Times decision on titles deferred

BY IVO DAWNAY, LABOUR STAFF

THE DIRECTORS of Times Newspapers Holdings last night unanimously decided to defer a decision on the transfer of the ownership of the titles of the newspapers to the parent company, News International. In a statement released after yesterday's meeting, the board gave firm backing to the chair-man, Mr Rupert Murdoch, in his

struggle to reduce manning levels on the Times and Sunday However, it also added that consideration of all other matters" should be deferred until the problems are resolved. Ownership of the titles was restored to Times Newspapers last week after protests that the five national directors, appointed to safeguard the in-

Airport staff

'b'ackleggers'

Heathrow Airport workers

employed by foreign air-lines and by the British Air-

ports Authority are to meet today to decide whether to

continue working with "black-leg labour."

British Airways has been

using volunteers to maintain 80 per cent of its European and domestic flights from the

airport in spite of a dispute over new work schedules with

2.000 ramp staff at Terminal

Ramp workers' leaders claimed yesterday that not all

the extra staff were volun-

The ramp workers, who claim to have been locked

out by BA over two weeks

age, have had limited success

in winning support

One and Two.

to discuss

By Our Labour Staff

dependence of the papers, had not been consulted on the move. Yesterday's decision to defer discussions on the transfer will be seen by some rmion officials as strengthening their position In negotiations on job cuts.

It has been widely speculated that Mr Murdoch would

be less willing to carry out bis threat to close or liquidate Times Newspapers if the titles are not transferred. A fresh appeal to clerical workers to accept voluntary redundancy, was made by the company yesterday, in a new atempt to reduce the 670-strong

staff by 210. In a letter received by clerical workers, Mr Murdoch gave a duce applications anywhere firm undertaking that all names of those applying for severance company.

Mr Arthur Brittenden, cor-porate relations director for News International, confirmed last night that the letter was intended to by-pass union officials and allow workers fearful of applying for severance to do so anonymously.

He said: "Some people have been discouraged from accept-ing and this is an opportunity for them to do it another way."

An official of the clerical workers chapel (office branch) said vesterday that he believed the new approach might persuade ("one or two" people, but he remained doubtful whether the appeal would pro-

Dock board reform plans to go for consultations

BY BRIAN GROOM, LABOUR STAFF

cutting reorganisation of the on National Dock Labour Board, me which administers the statutory employment scheme for Britain's 18,000 registered dockers, yesterday cleared their first burdle.

The full board, on which employers and dockers' leaders are equally represented, decided to put the plans out for consultation with all interested

parties.

The 1 subsidiary local boards are likely to be the first to be consulted. Under the proposals, these would be replaced by five regional bodies. Smaller ports would be covered by local committees and the minimum of staff.

teers. "There are a few press-ganged people," said Mr Mike le Cornu, their representative. The plan was drawn up by national officials after a report forecast that the board could accumulate a deficit of 77m by 1985 on its running costs. It includes a revision of rtain-

PROPOSALS FOR a big cost- ing arrangements, and passing on responsibility for port medical centres and dockers' weifare to employers. The NDLB staff of 400 could be cut by a third.

Some ports may be concerned about extra direct expenditure involved in taking over some of the board's functions.

Dockers on the Tees whose strike, now in its 15th week has stranded some of the Thames Barrier's flood gates will vote tomorrow on a new pay offer.

The revised wage proposals followed 21 hours of talks between the Tees and Hartlepool Port Authority and Transport and General Workers' Union representatives at Tees

Mr Jim Yates, secretary of the local union branch, said yesterday that the offer would be put without a

Don't count your money if you know what's good After all, the old pay day routine is a bit of a bind, All that mental exertion and just when you think you've got it right, you find you've got to issue back pay for the tast three months. So let Group 4's Payroll Processing system take over where your last mental block left off. Supported by Britain's leading independent our efficient learn of professional Consultants and Pay Analysts wilk evaluate your needs, implement the system and give you back-up service. We charge on a unit cost per imployee, which allows quick, easy calculation for forward planning and staff

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Land of hope but not much automated glory

WILL BRITAIN make it into the new era of manufacturing? GEOFFREY CHARLISH reports on the mood of mingled desperation and resignation at a London conference on automated manufacturing.

A FILM CLIP shown by a Unimation delegate of o London conference on automated manufacturing last week depicted a line of perhaps a dozen industrial robots making engines for Kawasakl he seen in any of the shots.

A commonplace tale from Janan? One that UK workforces, monogers and investors are weary of hearing? It may be; hut the fort that sent murmars through the 100strong audience - mostly engineers and scienlists—was that the film was not shot lost week or last year, hut 10 years

Throughout lbc conference an air of desperation and some resignation was evident. One divisional chief engineer of o well known company was heard to remork: "I've serious donbts whether Britoin will make It Into the new monu-

facturing ero." What became evident at this, conference, put on hy Engineers' Digest, ond what has been shown at similar events np and down the country in the past two decades, is that although considerable good works are in government laboratories, the oniversities.

the ontomation equipment makers and at research asso-clations like PERA, precioos few systems are octually moking products in the UK.
The organic, deep-scated changes that will have to occur in hoards, naions and manufocturing is not to co cussed. Nnr were the quile incritable lobour displocement problems that automation brings. It was almost os if the very intellects that were creating the new systems were determined 10 remove themselves from both

pre-implementation ohlems and social consequences, But ideas obounded on the systems froot. One of the "leading edge" technologies is the ficxible manufacturing system (FMS), in which the machining of metal comprinciples is totally automated. from the input supply oud handling of blonks right through to antomatic tool changlog and output handling
— ond probably including packaging eventually. Loading ond unloading is the only

human activity, apart from supervision and programming.

According to Mr A. Low of the National Engineering

Laboratory in East Kilbride. there may by now be about 75 operational FMS installations world-wide. Barring one at Normailair Garret in Somer-set, Low says that none ore regularly machining produc-tion ports in the UK. They are neorly all in Japan, Germany and the U.S.

But a system now nearing completion of NEL is expected to he moved to a commercial location in the ontumn; It seems that the 600 Group will shortly unvell its own develop-

The NEL system is hased nn o study by Roevac Automation and a Kearney & Trecker Marwin model 400 machining

In the diogram, the two long conveyor sections are used for looding and unloading component-corrying pollels with ferrite strips on their underside that denote to the system hoth type and orientation of

pallets into one of the short conveyors each side of KTM 400 for seizing by the shuttle forks and presentation to the machine table in a Umotion.

Finished parts are similarly extracled and ploced on the short output conveyor on the other side. For a small throoghpul the centre bridging conveyor could be used for both loading and unload-

Bul the NEL opproach is modular, so that additional machines, conveyors and turntables could be added.

numbers, routes and machin-

ing programs are all dealt mith ond properly associated in the console computer, suitable instructions being sent to the controller in the machining centre (which can still operate independently if required).

required).
Mr J. Stokes of the Machine Tool Industry Research Associotion pointed out that, in truth, the move to CNC and machining centres was a much higger step than the subsequent deployment of FMS, which simply automates handling and supervision.

Even 50, be showed that in a shop inraing over £1.8m, savings of £160,000 were feasible with FMS, or an extra profit

Two shifts.

of 9 per cent.

Stokes cited existing unused capacity as one reason for non-implementation of FMS in the UK. But the other sounded all too famillar: fidence in tackling the problems that new technology

Another of the advanced concepts—but still very much concept for most manufocturers—is the integrated manufacturing system, IMS. Here, the object is to link, via computer and data communications, different kinds of process and operation and to

control them in nnison.

From Norwegian company, Knngsberg Vapenfabrik, Mr A. McMillan described a pro-posed system by which his would link the processes of turbine blade prodoction — casting, profile grinding, cleaning and dimen-

one of the robot stations, ultimately receiving all the finished blodes, would feed them also to the cleaning and

MOCS, CAD, CAM, CAE

would all disappear, he
quipped, along with the final
acronym, CAB. (It stands for computer aided bankruptcy.)
They would all go he said,

in more serious vein, because nitimately there are really only two elements to production: machine hardware and

Since the product, from

sional checking.

A Cerrobend casting machine will feed two grinding stations via hiddrectional measuring stations.

The study results show that 75 per cent manpower reduction could be achieved with a 50 per cent productivity increase using two shifts.

From across the Atlantic, consultant R. H. Johnson painted what he saw as the final picture for manufactur-

ing.

Most of the "alphabet soup" of 1982 — NC, CUC, DNC, IMS, FMS, MIS, MICS,

information.

some pieces of plastic and metal through to the boxed finality, is the common theme throughout, then so is the associated information. Cheap processors and communic tions are bound to link it all

The starting point however, appears to be CAE, computer aided engineering, in which the object is to create at least a database for the design and design-related mannfacturing information and exploit it fully with such

SYSTEM

aids as solid modelling on colour visual display screens. Apart from the feeling that a certain amount of preaching to the converted went on at "Summit on Antomated Manufacturing, 1982" it undoubtedly provided a great deal of hard data for those

The final question time seemed indicative of something bowever. It lasted about five minutes and a quick turn of the head revealed that about three-quarters of the audience had left. But it was five o'clock on a Friday. .

who attended.

The Best in Europe!

Detection of flammable gases

A FLAMMABLE gas detection control unit has been intro-duced and is able to monitor up to 16 Sieger gas sensors simultaneously. Two pre-set alarm levels for gas conceotration are available for each channel.

Sieger, 31, Nuffield Estate, Poole, Dorset (02013 6161) says that standard feetures of the FS16 model include R. F. interference suppression, open circuit sensor fault indication and delay circuits to inhibit unwanted alarm conditions. Models are available for AC or DC operation.

From Worcester comes news of the ED Mk 3 gas detection and control system for the detection of very small concen-trations of fiammable and toxic gases, including hydrocarbons, halogenised hydrocarbons, alcohols, ethers, ketones, esters and nitrogen compounds.

Electronic Devices, 48. Diglis Road, Worcester (0905 353555) says that the semi-conductor sensors are immune from poisoning by bydrogen sulphide. lead or silicones and will maintain an alarm condition at well above the upper explosive limit.

Hitachi goes plastic to beat 'soft' errors

BACK IN 1978, semicooductor reduce alpha-particle susceptimemory manufacturers dis-covered nature had stacked the Now their memories contained radioactive impurities which throw

memory locotion. This resulted in so-called "soft" errors and gave rise to level of reliability two orders of

Conventional ceramic 64K only slightly luwer than coated dRAM (dynamic read-and-write memory) chips, for example, Prices have not yet been fixed the new industry standard high but Hitachi says the new device capacity memory, have what is should "maintain the downcalled a PIQ chip coating to ward price trend on 64K centimetre per hour,

Now, Hitachi, the Japanese chips against them. The very electronics grant, has announced malerials they used to fabricate what it claims is the industry's first 64K dRAM encased in active impurities which throw plastic packaging. The design off alpha particles which could changes include higher cell change the contents of a charge storage capacities and

higher signal read-out levels. magnitude higher than conveoand new ways of combating magnitude higher than convec-natural radioactivity.

the production process, Harwell in the UK has developed a method of detecting radioactive impurities in materials.

Its Fission Track Autoradiography technique can delect the presence of uranium in quantities as small as two parts per

Harwell claims this gives manufacturers a quality control enabling them to assess whether their raw materials meet the accepted standard of less than 0.001 alpha particles per square

dRAMs." At present such devices can cost U.S.\$15 or less. measurable directly. Horwell coats samples of the material the tracks made by radioactive emissions and bombards it with neutrons in materials testing reactor DIDO.

Uranium 235, a fissile isotope present as 0.72 per cent of natural uranium undergoes fission and the fission particles tracks are recorded. Examined microscopically, it

the amount of uranium present in the sample. More from Dr Jim Stephen at Harwell, 0235 24141; Hitachl is on 01-861 1414.

possible to calculate back

ALAN CANE mit them.

Air Call to invest £2m on paging system

INCREASED demand for radio paging systems has prompted Air Call, one of the biggest companies in this field, to invest £2m to provide a more sophisticated paging service.

Air Call has introduced a service using pocket sized "bleepers" which allows users to seed voice messages to pages up to 40 miles away.

Until now services which have voice transmission have not allowed subscribers to directly record their own messages be-cause of the difficulty in linking subscribers to the transmission system. Instead, operators transwith the facilities for direct

The advantage, is that sub- 30 control centres are equipped scribers feel more confident that voice communications. Each memory board within the commessages get through to the person they want to contact, even though it is not possible to reply with tiny pages.

Special keypad

Callers telephone the local Air Call control where they are connected to the computers which store voice messages up to 20 seconds in length digitally. Within a few seconds these messages are transmitted to the relevant pagers.

So far eight of the company's com is the biggest

puter can handle up to 4,000. subscribers: Large subscribers—with 20

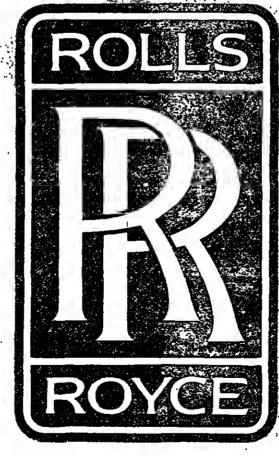
or more pages-can opt to link into the computer by private telephone lines using a special keypad, so bypassing the human operator.

Air Call has more than 8,000 paging subscribers in the UK out of the total market of 45,000 users. This makes it the largest private sector company in the market. British Tele-

market will grow to 250,000 pagers in the next three years making it one of the fastestgrowing sectors in the tele-communications service industry.

At present paging systems like those of Air Call's are limited to transmission within a limited area, but the company is looking at the possibilities which could one day be offered by satellites to provide a nationwide coverage for radio pagers-but at an economic

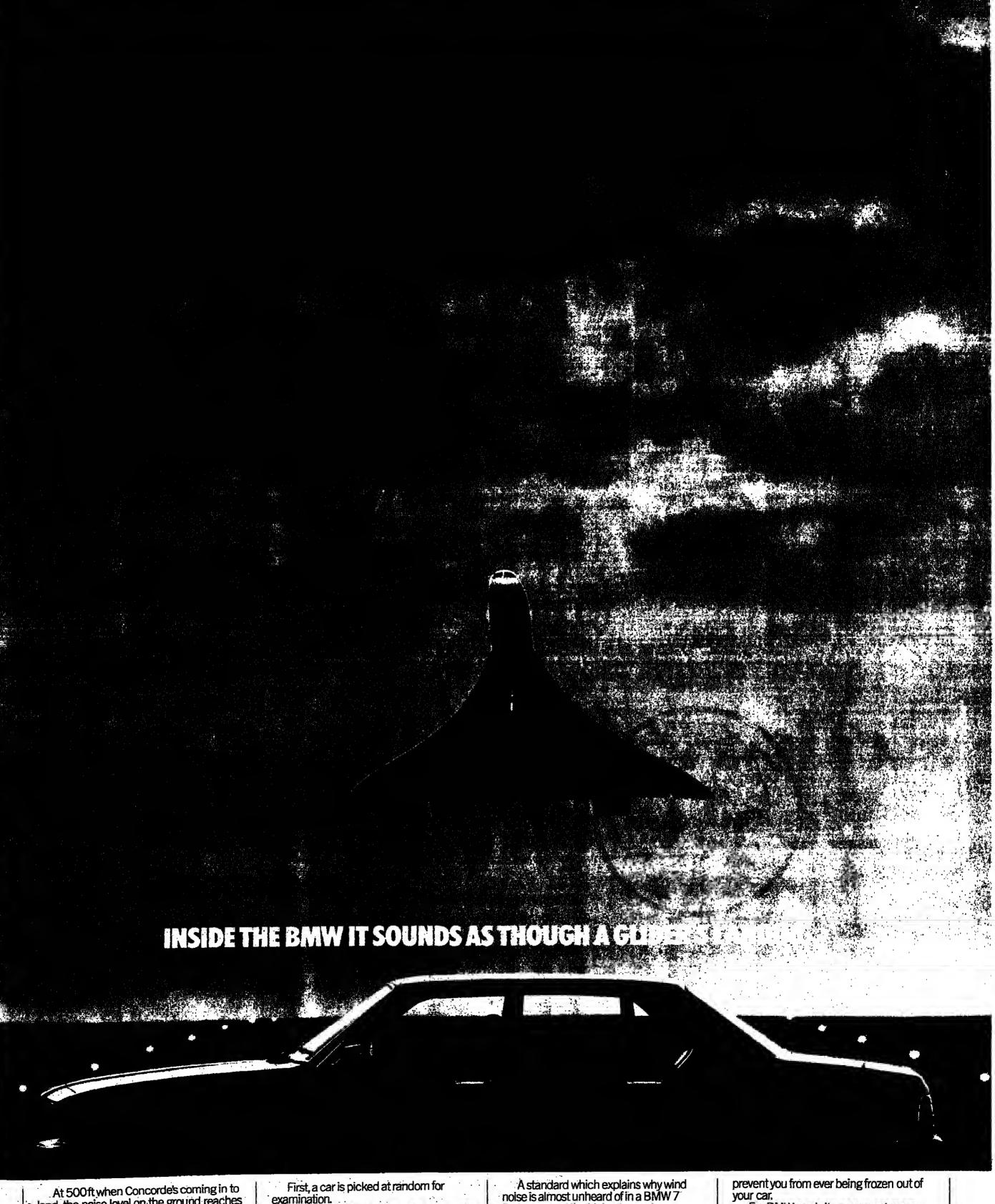
ELAINE WILLIAMS



Now flying, the new Boeing 757 took to the air with Rolls-Royce power. It has RB211-535 engines, which are already approved for airline service two years ahead of the nearest competitor. Thanks mainly to the Rolls-Royce 535 engine, the Boeing 757 will use up to 45 per cent less fuel per passenger than today's

727s. The best today, the 535 will be even better in the future incorporating Rolls-Royce technology advances which will maintain its parter but over any other engine for the Boeing 757. ROLLS-ROYCE LIMITED, 65 BUCKING HAMES AND CONTROLLS ROYCE LIMITED. STAYING AHEAD IN THE RACE TO TOM





At 500ft when Concordes coming in to land, the noise level on the ground reaches about 108 decibels.

ammah [7

At 500ft when a glider's coming in to land the noise level on the ground reaches about 62 decibels.

The difference is much more than it may appear to a layman: it actually represents over a thousandfold increase in noise intensity.

And, by a happy coincidence, it is exactly the same difference that BMW create between the outside and the inside of a BMW 7 Series in an extraordinary test carried out in their acoustic laboratory.

Then, 98 loudspeakers are positioned along every inch of the crucial gap that separates the doors from the bodywork. It's here that wind noise can creep into

a car destroying the unruffled calm which should surround our passengers.
Then the volume is turned up to 108

decibels. Inside, instruments monitor the precise

to the interior. If it's more than 62 decibels the car has failed to meet BMWs standard.

level of sound that manages to penetrate

A standard which explains why wind noise is almost unheard of in a BMW 7

Series, even at the highest speeds. It's a phenomenon that may surprise those who really know BMW for its performance reputation, with 31 international racing championships to its

credit. There are other creature comforts that maybe we've been silent about too long.

Like the leather seats that are available on the Special Equipment model. Or the electrically adjustable rear seats that can even change their backrest angle. Or the electrically heated door locks that

For BMW, such items are not mere afterthoughts.

For there is as much engineering involved in the pursuit of comfort as in the pursuit of performance.

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Financial Times Manday Folgren 99 1029

FINANCIAL TIMES REPORT

BRITAIN'S NEW TOWNS

The new towns of the North East have played a useful part in offsetting the region's industrial decline. This report by NICK GARNETT reviews prospects in the light of coming changes in administration.

The North East

Act adds uncertainty to other problems

THE FIVE New Towns of the and businesses would not take new town would have to try and around the Easington district. North East of England-along kindly to having the job done attract industry and jobs for the with the rest of Britain-are struggling with the effects of recession. Though the industriat structure of the area has under- They also maintain that local mix of industry than the old gone massive changes in recent years, and major environmental and infrastructure improvements have been implemented, there are still weaknesses.

Yet in this situation.

Government-sponsored New

Potenties Newton Yet in this situation the three Towns, Peterlec, Newton Ayeliffe and Washington—as opposed to their local authority cousins, Cramlington and Killingworth-suffer from an additional source of uncertainty.

The development corporations for these three are to be dis-solved by December 1985 under the 1981 New Towns Actalbeit the timetable is subject to review. They were set up-Ayeliffe and Peterlee immediately after the war, Washington in 1964-to ercate a community and industrial centre for areaa deemed to have special employment and social necda that required such artificial creations. They were never meant to be more than tem-

Winding-down of the corporations has already begun. Peter-ice and Aycliffe have handed over their housing to the local authorities. Washington has yet to do so because of a continuing disagreement between central government and Sunderland Metropolitan Borough Council over terms. Industrial assets are to be sold to the private sector wherever possible, and the rest 14,000. of the development corporation-owned facilities will also bave to be released under the terms

The development corporations have at least one view in common on this—that the ring of new towns around dismantling of the corporations London in 1946 to 1947. Peter-will simply leave a vacuum in lee was conceived as an employa region which still needs a special form of economic pumppriming accause of its traditionally high unemployment and industrial infrastructure weak-

by a London bureaucracy which redundant miners themselves. A in any case would probably be second estate development of too remote to do it effectively. the 1970s has a much broader authorities might be stretched one, and a preponderance of to provide the necessary man-male workers. Planners looked power. The special task identified for them will in no way he completed within the next four

The development corpora-tion's case is not based ablely on the needs of the region but also their record in attracting industry. It is one that includes many successes and revolves around the many features attractive to new industry with which the new towna are blessed and the kind of comprehensive deals they can offer. This view is shared by the two local authority new towns—Cramling-ton, which is run by the Blyth Valley Borough Council and



WASHINGTON

with a population of 27,000 projected to rise to 42,000 in the next nine years; and Killing worth, in the Metropolitan Borough of North Tyneaide, whose population is due to rise 19,000 from the present

The new towns have different roots. The designation of Aycliffe and Peterlee, with populations of 23,000 and 26,000 respectively, immediately followed the setting up of the ment centre for women-mainly from mining families. Its old industrial estate is still a big

As the mining industry

at the old ordnance factory at Newton Aycliffe after the war and decided that it should be transformed into an industrial estate. The development corporation took this over only estate. in 1973 and argues that because it was just one of a number of commitments of its previous controller, the English Industrial Estates Corporation, its development had been some-

Washington, designated almost 20 years after the former two. was created close to a string of worn-out mining villages. It has a powerful purpose-built feel about it. The 18 villages that make up Waabington bave a populatior of 55,000, with a target of 80,000 by the turn of the conturn.

The corporations argue that they have been very cost-effec-tive in comparison with other organisations in the task of job creation. An independent analysis for the Department of Industry in the late 1970s showed that each new job at Peterlee bad cost £2,800; this compared with a national figure of £8,000 for all types of auth-

Peteriee and Aycliffe-separate development corporations but with considerable joint functions-say that their own analysis indicates that in the five years to 1981 three quarters of the new jobs drawn into Durham came to the new towns. Some of that was obviously the work of development corpora-This is set against a net popu-

lation decline, Between 1971 and 1981 Easington district, which includes Peterlee, bad a net population loss of 3,600. The corporations are forecast-ing another 5,000 jobs losses in employer of women. ed around Peterlee, howcoal and related industries over They say that local politicians ever, it became evident that the the next ten years in and

Just to keep standing still will require the generation of 750 to 1,000 joba a year for the next few years. This, they argue, onderlines the need for some type of authority, provid-ing special assistance to the

area once the industrial promotion arms of the Government finally disbanded.

Washington Development Corporation has been heavily engaged in attracting 14,000 jobs in a part of the regioo which has seen a very big decline in employment within the traditional industries.

Set_against this, the North East's move towards high technology companies bas heen faltering and there is a lack service industry. Along with the rest of the country it bas witnessed steep rises in unemployment, For both Washington and Peterlee the rate. has risen from about 10.5 per cent three years ago to more than 16 per cent. Aycliffe, whose rate of about 6 per cent was little more than half that of the other two three years ago, has jumped to 14 per cent.

The unemployment rate for both Peterlee and Washington has been on a par with or slightly higher than the northeast region as a whole. This belies their success, though, in creating jobs virtually from-scratch. It also misses the point that the new towns rub against some towns and areas in Tyne-side and Wearside which have unemployment rates of 20 per cent and more. Some of the industrial estates have also shown remarkable resilience during the recession, with the

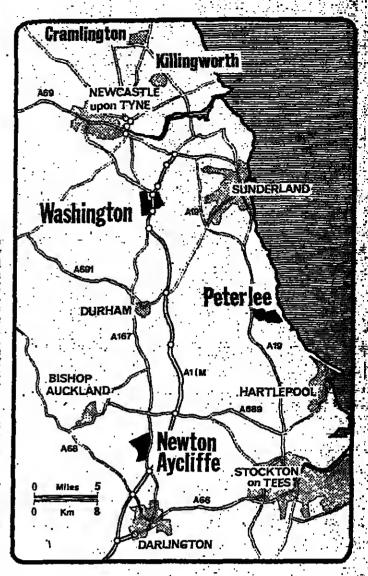
number of companies there expanding.

The new towns can present an array of attractiona to poten-tial companies bunting for a new location. Their develop-ment offices are able to assist with a complete negotiating package. That includes assistance to companies in discus-sions with nationalised industries oo power supplies and arranging for special education for staff. There is also aid available on relocation, production contracts and staff recruitment

Peterlee and Washington are in special development areas which offer a apread of financial incentives. This can include two years' rent-free accommodation as well as 22 per cent grants for buildings and machinery and the possibility of further discretionary grants. Substantial cash grants are available at Newton Aycliffe, though this is not a special development area. The five new towns have how-

excellent communications. They are served by a first-class road system, particularly from north to south, and a range of varying port facilities close to hand. Their location and the sea route services from the east coast have strengthend their industrial affinity with Scandinavia and Scandinavian companies. The relatively high proportion of foreign undertakings includes a powerful element of U.S. investment.

relations have historical strengths within the context of UK labour - manners. The relations. Though the area has some traditional — but rapidly declining — industries often associated with disputes and industries which have provided the labour pool for many of the region's new companies, the strike record in many of these sectors in the North East has been lower than the national ever, other more natural advant- average.



Broad range of sites on offer

'A KEY consideration for companies moving into the new towns is the kind of space available. The three are now in the position where there is not only a wide selection bot there is also more on offer than two years ago, both for rent and sale, and they still have ample acreage for new development.

Washington has 4.5m sq ft. of which the development corporation owns just under three-quarters. Of this, 400,000 sq ft is empty, an increase of np to 150,000 sq ft on the position three years ago. There is three quarters of a million sq ft of office space-mostly occupied by the Department of Health and Social Security—of which

15,000 sq ft is available for renting.

Most of the factory space on offer is at the top end—that ls, 10,000 sq ft and above. There bave been some blg recent factory closures, in-cinding those of Delta, MEM switchgear and RCA records and tapes. The corporation expects to have the first two utilised very quickly, but admits that the 85,000 aq ft of space purpose-built for the last-named will be difficult to

market. Buildings in the 350-600 sq ft are all occupied but new ones are being put up. There is a relatively lively demand for small offices.

Peterice is to some extent

risk-taking policy on factory

huilding to help meet its high unemployment figure. The development corporation has 2.1m sq ft of space, of which more than a fifth is empty.

Unused

It has 2.4m sq ft at Aycliffe, 209,000 of this being unused, and with a spread from 1,000 to 25,000 sq ft. Some 200,000 sq ft ont of the 2.8m privately owned at Aycliffe is vacant with the largest site taking np 28,000 sq ft. Two years ago there was only 50,000 sq ft of both private and public in-dustrial space available at Aycliffe.

The corporation says that. because buildings are coming on the market at virtually knockdown prices it has not

way it would have liked to meet its commitment achieving a 10 per cent return on capital expenditure.

A further result of this is that the design approach for the latest factories has been altered by the corporation to gear them for lower potential

Cramlington has a reasonable proportion of factory units for manufacturing or services available to new companies but very little office space. Killingworth has some medium-size units of both freehold and leashold on the market together with a variety of sites from one acre to 5.8 scres restricted to light Industrial use.



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Washington for Winners

BRITAIN'S NEW TOWNS-THE NORTH EAST II



Washington New Town centre and the Washington Highway

Foreign concerns a feature of industry

field and a relatively high pro-

believes total foreign Invest-

U.S. toy manufacturer which

quarters. The Japanese com-

pany NSK Bearings chose Peter-

to service the EEC; 85 per cent of its output is exported.

pany, bas a plant at Peterlee

and the Norwegian operation Mustad bas a packing plant for

the fishing books it manufac-

employment on the estates

had a strong motor manufacturing content which has proved a millstone around its

neck during the recession.

While unemployment at Peter-

lee is greater at well over 16

per cent, its figure three years

ago was also high - 10.5 per

cent, almost double the ten

By contrast Aychiffe's 14 per

cent unemployment is lower but

that represents a hefty jump above the figure of 5-6 per cent

in 1979. Closures have included the Concordia Wire Cabling

plant. while Eaton Axles bas

cut its workforce from 1,300 to

The tnwn has been attempt-

ing to diversify its industrial base. Foreign companies

include two Swedish undertak-

ings - Perstorp, which manufactures plastic laminates, and

Electrolux through its wholly

owned subsidiary Flymo, which makes lawmnowers. The U.S. company Union Carbide has an

electronics plant. UK concerns

include GEC-which with more

than 1,400 workers is the hig gest employer in the town-and a British Steel aheet coating

Cramlington boasts aome big UK manufacturers as well as a

number of foreign-owned opera-

tions. Wilkinson Sword has a razor blade manufacturing plant there; Burroughs makes adding machines and Fahlon produces

Manufacturing for the home

plays a strong role in the town's industrial structure. The Brentford Nylon plant taken over by Lonrho is still produc-

mercial Plastics manufactures

wallpaper and wood coverings.

Kilingworth has a max of

industrial and service industries

hut much of it is concentrated in the latter sector. It includes

four major distribution companies and two consultancies for shiphuilding and engineering. Northern Gas has its head-quarters there, linked to a

major British Gas research in-

kitchenware covering.

plant.

national average.

three and a balf years ago. The town's industry has also

Chemicals

tures.

THE NEW towns' industrial companies in induatries heavily estates are enclaves of mixed associated with women workers manufacturing in a region whose industrial base is still very much influenced by the traditional industries.

raditional industries.

The new estate includes some
Though the estates have been major manufacturers in their badly buffeted by the recession, with employment below the level of two years ago, some of them have shown remarkable resilience. Aycliffe has suffered the worst in relative terms, largely because of its much great dependence on one industry-motor manufacturingwhich has been affected dispro-

Some of the development corporations are confident though of industrial expansion even within the next year and all are seeking to expand the number of foreign companies which are a feature of the North East's industrial estates. Maoy of these foreign-owned undertakings—a high proportion Scandinavian, with a bealthy sprinkling of Japanese companies—are new years well panies—are now very well

Washington has some 260 mises, about 100 more than three years ago. The development corporation expect this to rise to more than 300 by the time the year is out.

Employment on its industrial past nine years, and Hunter-Print, which has a big export estates has fallen from 21,500 to 19,000 in the past three years -a decline largely confined to 1980. Last year the number of new jobs roughly halanced Over the same threeyear period the town's unemployment has risen from 11 to 16.5 per cent.

Engineering

The principal difference between Washington on the one hand and Peterlee and Aycliffe nn the other is that the latter two bave a relatively small amount of office space either occupied or available. Washington pulled off a major coup, bnwever, by grabbing the Department of Health and Social Security's National Child Benefits Office—the higgest employer in the new town, with 2,500 staff. Its industry has a very atrong light engineering content but is very varied. A large proportion of Washington'a industrial companies are household names like Dunlop but an even blgger percentage are foreign-owned.

Some of these are very hig names-Timex Watches (U.S.-Norwegian) and Philips Tele-

vision (Dutcb), for example. Japanese company Marubeni-Komatsu carries out final assembly work on its earthmoving equipment at Washington. Littel Fuse, part of the Tracor Corporation of the U.S., is engaged in specialist fuse manufacturing and special cabling is made by one of the most recent newcomers to Washington—the Norwegian company NEK. The Japanese aip fastener manufacturer, YKK, has a distribution depot. The Danea are involved in Washington through the hearing-aid maker Danavox and the U.S.-Danish Smithers Oasis which produces plastic flower-

arranging material. The two estates at Peterlee house 85 companies. These eming a large range of hedding ploy about 5,000, with a further and related products and Com-4,000 in services outside the estates. Over the past three years more than 1,250 jobs have been created in Peterlee but more than 1,550 have gone. The development corporation says that shows considerable resilience on the part of the industrial estates in the face of been a good take-up of vacated premises by new companies.

The nld estate still encloses staliation.

Well off for transport links except in air services

THE NEW TOWNS in the North East possess some of the best communications in the country for goods transportation and the movement of employees. At the same time there are weaknesses—notably the limited air services for the region, the distance from sonth coast ports as export gateways to Western Europe mid the lack of a fast east-west rond route come immediately to hand.

They are reasonably close to the A1(M), which ties in with the national motorway system for north-south travel, and for the

Peterlee is furthest from the main east reteries is furthest from the main east side road route between England and Scotland, hut it is on the A19, a good road connecting with the A1. Washington is served by a reasonable cross-country road—the A69—west to Carlisic. The new towns themselves are con-nected directly with the west part of the

country by the A66.

There is a wealth of port facilities on the east coast—the Type, Tees and Humber docks—with connections to the more southerly ports. There are several roll-on/roll-off berths on the Type and at Teesport, with a driving time of less than half an hour from each of the new towns to at least one dock area.

These ports provide short sea routes to Norway and Sweden as well as services to Rotterdam and Amsterdam. The Humber is only a few honrs' driving time away even for the henviest lorries. Bulk shipping is handled at Hartlepool and Seaham as well as at the

Most industries in the North East rely on road and sea transport. There is a Freight-liner rail terminal on the northern edge of Washington which can get cargo on in the Continent via Harwich within 24 hours.

There are 21 British Rail 125 services. stopping at Newcastle, on the route from London every day. There are also four direct services to Liverpool and n similar number in Bristol. The latter are due to he converted into 125 services. Stations at Darlington and Durham also provide direct Inter-city 125 links to the north and south. Ayeliffe has commuter rail services to Darlington and Bishop Auckland. Peterlee is also served by a local

British rail service.
Washington, Killingworth and Cramlington are only a few miles from bus/rall inter-changes on the Tyne and Wear Metro linking them directly to the heart of Newcastle. The close proximity of the Heworth Inter-change to Washington has meant a reduction in the number of bus services direct into the city. The airport at Teesside has mainly domestic flight connections. Newcastle, though, has regular flights to Amsterdam and the

Scandinavian countries as well as the Duhlin and Belfast and the British malnland airports.

Its international air services, however, are relatively weak. The development enrogrations would like to see direct flights to the U.S. but in not believe them a likelihood in the foreseeable future. They would also like to see direct air connections with West Germany, although there might be a question-mark over the amount of traffic that route would generate. The number of U.S. companies in the North East—88 at the last count—is four times the number of German undertakings.

Though Manchester is the nearest interanough squarenester is the hearest inter-national airport most users not for connections through London. There are five flights daily to and from Heathrow and two between Gaiwick and Newcastle. British Airwnys has been talking of the possibility of a shuttle to Newcastle next year.

Wide cross-section of jobs and skills

THE NORTH EAST has a record of relative freedom from industrial stoppages on a par with, if not better than, the national average for most industries. And within the North East the new towns have an enviably good reputation for barmonious relations.

The region has tended to have a struggle to achieve rates of productivity comparable with those of some other areas. This is a notoriously difficult issue on which to obtain reliable data and is almost certainly a product of the relative age of equipment used in sectors of its traditional industries.

Some of the recent shifts in balance between unions and employers and the impact of unemployment on the attitudes of the sbop floor and among union officials have bad a marked impact on the new towns' industrial estates.

—Dewhirst, a clothes-maker for Marks and Spencer, and the Charnos clothes manufacturing One outcome is the relative success of new companies in securing single union bargaining arrangements. These are encouraged by the development corporations because they generally prove to be successful, portion of foreign companies. The development corporation and companies that go out of their way to negotiate such arrangements normally get the co-operation of union officials. ment at Peterlee approaches

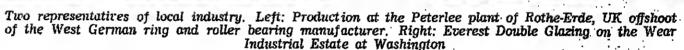
The principal foreign com-panles include Fisher-Price, the Companies on the industrial estates have also been using the recession to achieve greater efficiency in shift working and other practices. But this has began producing there in 1978 and is now using Peterlee as its Europeao manufacturing beadprovoked a backlash from unions in at least a few cases. Employers with entrenched multi-union bargalning arrangelee as its manufacturing base ments still find it nearly im-possible in simplify them and overcome resistance to changes If this will result in joh losses
—unless and uotil, that is, the Rothe-Erde, the West German roller bearing manufacturer, is another big foreign employer. Borden, the U.S. chemicals comcompany can demonstrate that investment and survival are at majority on the town's old stake. In general, however, new industrial estate. As a result of towns by definition do not have the decline of local mines and the inbuilt working traditions the development corporation which can prove a stiff obstacle to barmonious industrial relations.

policy of attracting work for men the new town's two industrial estates together have

Unemployment figures indi-Significant British companies cate a ready pool of labour for include DJB, a leading manufacturer of articulated dump a wide cross-section of jobs and skills. The new towns' catchment areas, though, suffer a trucks which bas undertaken little along with the rest of the considerable expansion over the region from the legacy of the North East's traditional mining, shipbuilding and heavy engitrade with the Common Market. neering base. The 116 companies on the Aycliffe industrial estate employ 8,500 hut that is over 2,000 fewer than the peak of

This is particularly reflected there have been periods when in a general scarcity of labour all its shopfloor workers were tion from different parts of the ing 3,000. All bave now closed for some of the skills required under 28 years of age. It says country; many of these workers and the bulk of ex-miners of





io new technology applications, there is a sbortage of tool stayed nn. It was also a rela-The region as a whole has a makers and that because much tively unskilled workforce, easily retrained. Retraining bas relatively weak content of high-technology companies. The development corporations, of industries would bave to though, are encouraging efforts undertake considerable reby North East polytechnics and

> There have been very few strikes at Peterlee. Even those people remember—such as the strike at DJB dump truck manufacturers-have been relatively Newton Aycliffe as an industrial centre bas a totally

different background. Its workforce is more diffuse. The development corporation says that the spirit of the mines is still in evidence at Peterlee, which gives it a form of social cohesion, but that this feeling is missing at the sister new town oo the other side of the A1.

Retraining

Newton Aycliffe bas its particular example of the industrial roots in a local adaptability of the workforce, ordnance factory which Eighteen years ago Washington bequeathed it a working popula-

though that has changed to a considerable extent with the requirements of industry. The corporation says companies have come across very few diffi-

culties in terms of retraining. Washington Development Corporation argues that new companies bave virtually no difficulty in obtaining the labour relations structure they want. Some older companies on the industrial estates complain about union restrictions but

that is common pretty well everywhere in the UK. Duniop claims its manufacturing site at Washington is its most efficient operation in technology skills generates con-Europe—though that does not cern among some development preclude disputes over working corporation managers. arrangements. The company recently suffered a strike tion of chicken and egg. They

related to shift working. The corporatinon cites one particular example of the Correspondingly, they might be had four active coal pits employ-ing 3,000. All bave now closed

also been a success story at Killingworth and Cramlington. An insight into the kind of

labour available for some of these new towns is given by Employment Department statistics on the unemployed. In September last year in the Tyneside and Wearside area there were more than 10,000 unemployed who possessed skills in metal and electrical processing; nearly 4,000 in the processing of other materials as well as 9,000 ex-clerical workers and more than 6,000 "professional" people.

They. realise, though, that it is a queswould have more of these skills if there were more high technology industries in the area. able to attract such industries more easily if they had more skills to offer.

Such areas as the North East

are at a disadvantage once high technology industry like computers latches on to a few areas—as it has done on the Bristol-London axis in parts of Scotland—from which it will naturally suck in other related

The North East has an array of major universities, polytechnics and training colleges in Newcastle, Sunderland and Durham as well as small teach-ing institutions in other parts of Durham and Wearside, Most of these are within reasonable daily driving distance of all the new towns.

Meetings

The development corporations are trying to encourage more high technology teaching. The Washington Development Cor-poration, for example, has meetings with principals of some of the region's teaching establish-ments to discuss industry's

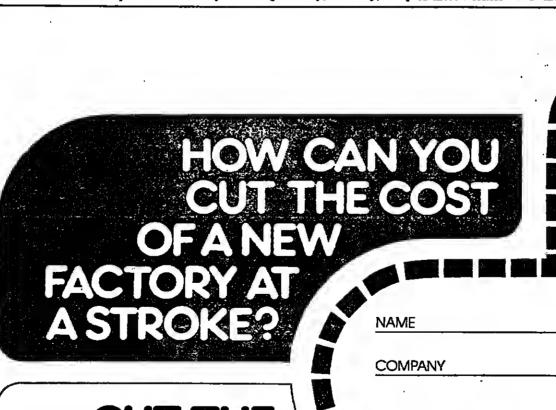
Skill centres and other forms of trade-teaching institutions, many geared to the unemployed, are dotted around the region.

Aycliffe has the South West Durham Training Centre, which has up in 200 places for teaching young people industrial skills with particular emphasis on engineering. But this is running low at the moment with only about 110 places filled. Peterlee has its own Industrial Training Trust organised on similar lines and funded by the Manpower Services Commission. It also has a technical college.

Newton Aycliffe runs a: key training course on how to run, a business which includes simple accountancy advice. There is also a training centre for the disabled at Aycliffe but this is under threat from local authority cash cutbacks.

Felling, just north of Washington, has a 660-place skill centre. Its main emphasis is on mechanical engineering but it is gradually moving towards electrical engineering and electronics. centre at Durham has several hundred teaching places.

There is an skill centre in Washington itself but the development corporation is boping to establish a training workshop, sponsored by local business with Manpower Services Commission funding Manpower and mainly designed for school



universities to achieve a more

rapid turnout of people with computer-related skills.

Peterlee has a loog tradition

of women working and doing

shift work. They form a clear

a roughly equal proportion of

second generation of families, the youth bulge is now settling

down but there is still a higher

proportion of young people than

in most towns. The development

corporation points to NSK, the Japanese concern, for which

With the town well into its

Does your dated factory cramped premises and poor location odd up to o big sales zero? Can't afford to do anything obout It?

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IV.

American banks look further afield

ANOTHER leading U.S. bank in at Fitzalan Place in Cardiff, central London is seriously where it is thought to have considering the costs of oper-agreed a rent of about £5 a ating offices in the heart of the sq ft, capital. Chemical Bank has Debenham Tewson and already decided to decentralise Chinnocks, one of the agents some of its London operations which handled the recent in

Bank of America with offices operating offices elsewhere in London, away from the main clerical back-up needed has also

no more than that it had no plans to decentralise any of its operations away from the capital. But this does not rule out wish to consider decentralising the possibility that some of its businesses may eventually be located elsewhere in London where rents, rates and other overheads may be cheaper.

rently housed in expensive central London offices are also thought to be reassessing their space requirements. Some of these are fast outgrowing their cial area, to drift westwards, present accommodation and slightly away from the beart of may wish to satisfy future the City. Chemical Bank for space requirements by looking example took space at the for offices either elsewhere in Aldwycb; Bank of America and Aldwycb; Bank of A

capital oltogether. Earlier this month Chemical Bank announced that it would

letting to Chemical Bank in in Cannon Street and Ludgate
Hill. has asked St Quintin,
chartered surveyors, to conduct
a detailed study of the costs of
operating officer clear to be considered.

A minner of
overseas banks in London have
expanded over the years: from
representative offices to branch
status and beyond. With this expansion, the amount of

Bank of America would say satisfy their growing space to more than that it had no requirements in the traditional central banking area it would seem logical that some would some of these operations in the same way that the British clearing banks and insurance groups have decentralised some of their other American banks curmain London area."

Over the last decade the trend has been for overseas banks, unable or unwilling to take space in the main finanor away from the Credit Lyonnais now bave offices in Cannon Street.

It now remains to be seen whether a more pronounced trend will emerge of overseas be moving some of its operatrend will emerge of overseas tions to Trafalgar House's hanks expanding further away 56,500 sq ft office development from the ceotral area.

UK leanings at L & G

on the 111-acre site. Units will be from 40,000 sq ft upwards. Gabriel has obtained

planning permission to de-molish the existing Kodak premises built in the 1950s.

King and Co. acted for Kodak and Gabriel were advised by Russell Cash and Co. Royal Life Insurance has

paid around film for shop pre-

mises on a sale and lease-

back arrangement with Portsea Island Mutual Co-operative Society — at numbers 7/8 High Street,

Winchester, Hants. The store comprises more than 14,000 square feet of sales area.

Management) seems likely to continue to grow significantly over the next few years, judg-ing by the comments this week of Kelth Hall, the fund's man-

Despite his cautions that prospects for immediate rental growth in some sectors of the operty market appears limited, the fund has no misgivings about the relative attractions of commercial property as a long term investment. It sees new development as the principle vehicle for the continuing ex-pansion of its property interests. The fund a subsidiary of Legal and General, one of the country's biggest insurance

and traditionally has had a · A MAJOR new £6m office development is being under-taken at Swindon, Wilts, by Rediake Securities, the Bir-mingham-based developers. Detailed planning permission has been given for a selfcontained, 42-000-sq-ft-gross office hock. Joint letting agents are J. P. Sturge and

largest pension fund company

Sons and Healey and Baker. A £12m industrial ware-house scheme is planned by Gabriel Securities following its acquisition of the former Kodak Camera factory at sq-ft development is planned

THE FAST expanding develop-ment portfolio of Legal and General Assurance (Pensions vestment in new property de-sections vestment in new property deestate investment. Last year in- hy the fund include: Its 200,000 vestment in new property de-velopment in Britain and oversq ft development with MEPC at Long Acre in London's seas rose from £24m to around Covent Garden; a 150,000 sq ft £35m. Total new investment in office block in London's Euston property, including refurbish-ments and purchases was £41m Road let to Davy McKee; a 330,000 sq ft Arndale shopping compared with £47m in 1980. centre at Eastbourne, Sussex,

The bulk of new development The value of the property money, around £30.5m, was portfolio managed by the fund rose from £711m to £859m last year and Legal and General spent in the UK, a trend which Mr Hall says will continue despite the popular trend for pension fund investment in U.S. says that its faith in property investment is justified by the return of over 19 per cent which " It is not that we are opposed

the property fund has averaged over the past five years. to making investments in U.S. In 1981 the price of property Unit Trust. The product still fund units rose by 17.7 per cent needs final approval from the compared with a 10.9 per cent Department of Trade. property. We have a successful office development of 285,000 sq ft in Houston, now 95 per cent let. It is just that we herise in the UK ordinary share fund, a 15.9 per cent increase groups, now controls assets of lieve that there are still some more than £2bn. It is Britain's very good development opporvery good development opporin overseas equities and a 3 per tumities untapped in the UK," says Mr Hall. cent increase in the fixedinterest fund.

Agents handling the deal included St Quinton, Milton Marlowe and G. L. Hearn and

Chesterfield Properties has Chesterfield Properties has been chosen from a shortlist of six developers by Sheffield. City Council to build a 313,000 square feet shopping centre together with community and recreational facilities at Mosberough, a few miles south east of Sheffield city centre. It is expected that the scheme will take three years to complete with work expected to start on site in expected to start on site in

INTERNATIONAL NEWS

New fund for U.S. investment

Financial Times Monday Rete

THE DEBATE over UK investment in U.S. real estate took This important money management its management at the end of ment in UK property at £260m, names—both of which have last year. Its proposed merger Overall, Fleming, together with been in the limelight recently with INA, another major its associated companies, cur-Robert Fleming, one of ance group in the U.S. with a Britain's largest investment combined equity base of

management groups, has com-hined with Connecticnt General Corporation, the seventh largest U.S. life assurance group, to produce a draft prospectus for leming American Property

Department of Trade.

This particular vehicle is expected to be a \$100m fund within a few years; and both Congen and Fleming say they will be surprised, after 18 months of planning, if their association does not take them into further projects in future. Both of the proponents can confirm that investment management is a volatile business. Last year Congen lost over a quarter of the property

over a quarter of the property funds under the management of its subsidiary. Congen Realty Advisory Company (CRAC). First the British Coal Board pension funds made an abortive \$267m bid for the CRAC managed Connecticut General Mortgage and Realty Investment. The Coal Board funds eventually withdrew funds eventually withdrew from the fray in the face of a successful offer of \$340m

from Prodential Assurance of

ment in U.S. real estate took

This still left Congen with Trust, now the second largest a new turn this week as two some \$750m of property under unit trust for gross fund invest. been in the limelight recently with INA, another major its associated companies, consciously form a U.S. real insurance group, would leave rently has funds advised or estate investment vehicle for the combined businesses as the under management totaling largest publicly owned insur-

> slightly over \$4.2bn. Meanwhile in the plan to reorganise investment trusts under its management, worth \$673m, has been a Fieming competitor, and frustrated by opposition from potential investors will have to institutional investors includ-choose their investment

ing London and Manchester Since 1970 et has been runOverall. Fleming, together with

money, a combination of respect-chility and track record may be what is needed to move smaller Fleming has also been making funds into the U.S. property news in the financial pages. Its market. The market is a "post tive minefield " in terms of legal and tax problems, according to

> vehicles carefully. William Cochrane

Frankfurt HQ letting

Smith have let a 16,000 sq metre headquarters building at Schwalbach, north west of Frankfurt, to Data General. Rentals for the remaining 2,000 sq metres of offices, and 9,000 sq metres of warehous-ing, are quoted at DM 15 and DM 9 per sq metre respec-

 Also in West Germany,
 Zadelhoff Deutschland has sold a Salzgitter supermarket property for a Dutch institu-tion to a German elosedlettable space is 7,250 sq metres on two floors with a site area of over 30,000 sq

The 50,000 sq ft Hedaya House office block in Govern-ment Road, Manama ment Road, Manama Bahrain's principal office centre—has heen let by Bebenham Tewson & Chinnocks at rents in the region of Bahraini Dinars 8 per sq metre per month (about £12) per sq ft per annum), the first time such levels have been reached since the market peaked in 1976-77.



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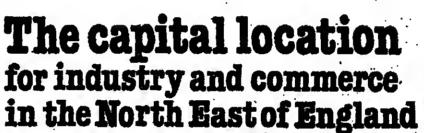


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Financial Times Friday February 26 1982



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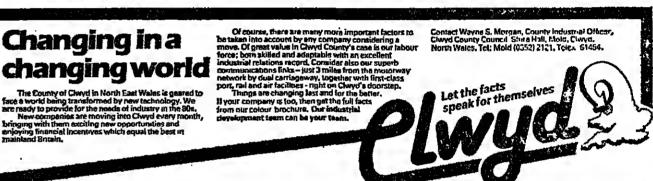
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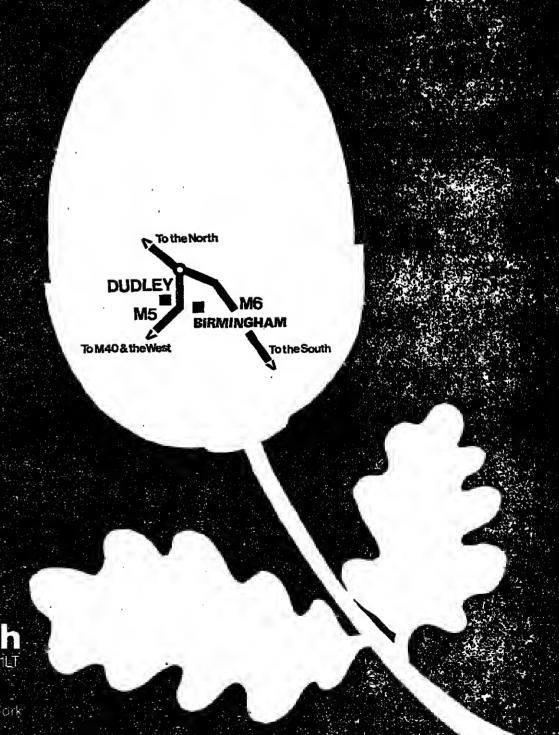
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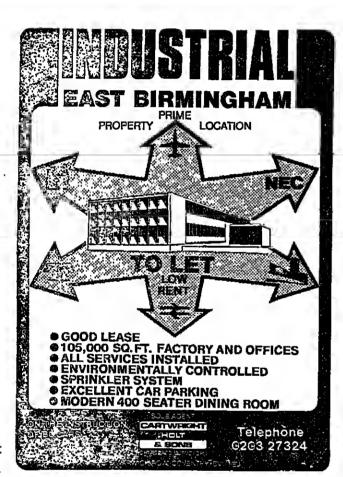
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PROPERTY



FINANCIAL TIMES SURVEYS OFFICE PROPERTY

FRIDAY 19 MARCH 1982

The Financial Times proposes to publish a survey on Office Property. The following synopsis outlines the topics to be discussed. INTRODUCTION

Tois year will prove to be a testing period for the office market. Demaod for space is still weak in most areas and rental growth still traits behind inflation. The brightspots and the blackspots. What are the prospects for further deterioration if the economy does not revive this year? INVESTMENT

The problems of the office-letting market have not had a significant impact oo the lovestmeot scene, with prime yields remaining firm. There has been some softening in eccondary markets but a sustained period of low rental growth will be required before the overall yield structure weakens. DEVELOPMENT

Development activity has tailed off in the wake of recession. Many provincial centres do not currently support rentals which justify any wide-scale development programme. Industrial developers are still making the pace. RENTS

A review of office reot profiles around the country and prospects for 1982. REFURBISHMENT

Office development today iovariably means the modernisation of what already exists but are good refurbishment opportunities becoming harder to find and more difficult to justify floating life. OFFICE TECHNOLOGY

The nature of office design is being transformed by the arrival of high-technology business systems and the need to maximise accommodating. The developer is being forced to thick much more carefully about the likely range and variation of tenant

Pianning Planning and the Greater London Council

Office Costs Mixed Office-Industrial Space The remainder of the survey will comprise a review of some of the major office markets in the UK:

The City of London The West End of Loodon Birmingham Manchester

FOR FURTHER INFORMATION and advertising details contact TIM KINGHAM on 01-248 0769 The content, eize and publication detay of Surveys in the Financial Times are subject to change at the discretion of the Editor

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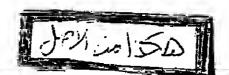
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business; Approval of the belance abect as of 30th November 1981, business report and statement of lecome and proposed appropriation of retained earnings for the 69th business zern from 1st December 1989 to 50th November 1981;

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London. 25th February 1P62.

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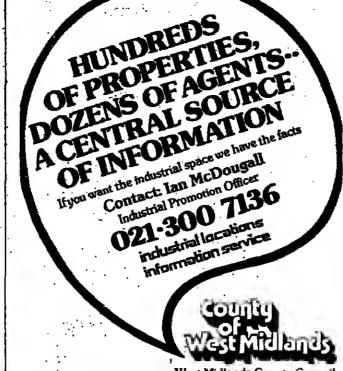
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FT COMMERCIAL LAW REPORTS

No underwriters' indemnity for aircraft loss

BALFOUR V BEAUMONT AND OTHERS

Queen's Bench Division (Commercial Court); Mr Justice Webster; February 18, 1982

WHERE A reinsurance slip renewa an carlier policy, unclear words in the later slip should be construed in the context of the earlier policy as well as in their immediate context; and if the meaning is clear in the earlier policy and was apparent to under-writers when they initialled the later slip, there is an assumption that the same meaning applies on both

Mr Justice Webster so held when refusing declarations sought by Mr C, J. Balfour on his own behalf and no behalf of all other members of Lloyd's Syndicate 619. that he and the syndicate were entitled to be Indemnified under a reinsurance skip policy for losses arising out of an air crash. The defendants were Mr. D. A. Beaumont, suad on his own behalf and on behalf of all other members of Lloyd'e Syndicate 448, Mr V. R. Judgea, sued on his own behalf and no Mr Justice Webpter so held sued on his own behalf and po behalf of Lloyd's Syndicate 179, and Turegum Insurance Com-pany Limited.

HIS LORDSHIP said that in 1971 the underwriting of aviation risks on the British alreraft mar-ket could be categorised into three classes: (1) policies declared under aviation products line clips; (2] policies shared on a vertical basis, mainly with U.S. domestic insurers, the United States Aircraft Insurance Group IASAIC) and the Association of Aviation Underwriters IAAU; and (3) facultative policies placed wholly in London on the open market.

A "line slip" was an authority or "facility" in writing hy s number of underwriters which enabled the leading underwriter to agree to insurance proposale on behalf of all underwriters

on berait of all underwriters subscribing to the line slip.

Sharing a risk on a "vertical basis" meant that different shares of the total risk were underwritten by two or more insurance markets, eg 35 per cent in the U.S. markets and 65 per cent in the London market. A "facultative" insurance was insurance placed with ond written by each underwriter individually rather than under a pre-cristing arrangement such

as a lice slip. The plaintiff underwriters in the present case had subscribed for a number of years to an aviation products line slip, and also shared the risks of the larger aircraft manufacturers on

a vertical basis with USAIG and

against certain of their losses. USAIG and AAU) similar to covered poly the period on the under a reinsurance slip policy. A "slip policy" was a short form policy of reinsurance constituted only by the alip wording the ABC scheme and policies at December 1 1972 and/or as precised by a pro-forma policy. placed on a vertical basis.

Original." If that period were it was clear that the only defined simply as "losses prefaced by a pro-forma policy. That reinsurance was renewed in 1971. The definition of the

interest covered was "to reimburse the reassureds for all reimburse the reassureds for all sums payable in respect of liability occurring under the ABC (Aircraft Builders Council) scheme and similar products policies placed op a vertical hasis with USAIG and AAU."

The ABC scheme referred in wap a line slip facility covering products liability, written largely on the Londoo market.

In 1972 the reinsurance was

In 1972 the reinsurance was renewed again, but with elightly different wording. The plaintiffs were reinsured against "losses occurring during 12 months at December 1 1972 and/or as original." The interest defined

was "... to reimburse the reinsured for all sums payable in respect of liability occurring onder the Loodon market aviafion products lioe slips, which includes products policies placed no a vertical basis with American domestic insurers. American domestic insurers . . .

American domestic ansurers...

Bud similar policies."

On March 3 1974 a Turkish
Airlines DC 10 crashed near
Paris. 11s maoufacturers were
insured under a facultative
insurance with the plaintiffs. The pn a losses occurring basis, it plaintiffs paid out in respect of the accident, and then claimed for their losses under the 1972 reinsurance slip policy.

The defendants said that the facultative insurance was not covered by the slip policy, and that even if it was, the policy did not cover any loss occurring after November 30 1973. Whether the facultative insur-ance was covered by the 1972 reinsurance depended on the

construction of the interest in the slip policy. That involved the meaning to he given to the words "and similar." It was necessary to construe the slip policy in its immediate context, the context of docu-ments referred to in the slip, relevant documents which were read by the underwriters when they initialled the sllp, and other hackground documents

and facts.
As the 1971 slip was presented to the uoderwriters when they initialled the 1972 slip, and as there was no other reference in the 1972 slip to "pimilar products policies," one would sssume that "similar" in the two slips bad the same meaning.

Il was clear that the opty policies to which express reference was made in the 1972 slip were policies issued uodar the "prigipal" line slip and vertical policies. Thus, "aod slmilar products policies" in the 1972 slip meant: "and fother) products policies which have similarities in common with each other and with products policies placed on a vertical policies placed on a vertical basis."

The 1972 slip was nut to he construed as extending in any additional class of policies. Even if the secultative insur-

ance were iocluded in the cover, there remained the question as to whether it came within the period of reinsurance. That depended on whether the rsinsurance was on a "risks attaching hasis" or a "losses occurring basip." If it was risks attaching, the reinsurance covered all direct insurances attaching for the full period of the direct iosurance. If it was

(Ince and Company).

defined simply as "losses occurring during 12 months at December 1 1972," the basis rould pnly be losses occurring.

The decument should be looked at as a whole, and should

be read in conjunction with the 1971 slip policy. That slip policy. That slip policy would probably have been construed as belog written on a losses pecurring hasts, covering December 1 to Nevember 30. There was nothing to the 1971 solicy was in the information and in the 1971 solicy was in the information and in the 1971 solicy.

policy or in the information con-tained in the slip to indicate that the hasis had changed. The

1972 slip policy was therefore

The plaintiffs were not entitled to be indemnified for

on a losses occurring basis.

their losses.

Judgment for the defendants. For the plaintif: Adrian Humilton QC and John Thomas For the defendants: Jonathan Mance and Jonathan Gaisman

[Herbert Smith and Company).

By Rachel Davies

RACING

BY DOMINIC WIGAN

ROLLS RAMBLER, who had lo miss last season through injury. makes his long awaited reappearance Inday in Ihc Cihhs Land Rover Hunlers' Chasc over three miles at Kempton. It will be fascinating to see how the Uplands 11-year-old, who won five consecutive races hefore his lay-off, fares against Dancing Brig and Madness.

I suspect he can win. A top class hunter chaser two seasons ago and ranked in the same category as Spartan Missile, last year's winner, Rolls Ramhler would not be in Ioday's line up were Fred Winter unhappy about his fitness.

Whatever Winter's fate with the bunter chaser—a 33-1 chance for the April 3 renewal of the Sun Grand National-he seems sure to extend his winning sequence because he also AAU.

In 1971 "similar" coold only fields good prospects in have meant products policies Prayukta, Princeton, Arclic with the defendant insurers (placed on a vertical hasis with Warhler and Plundering.

Prayukta need only repro duce the form which saw him earrying 5 lb overweight lo third place hehind Anaglog's Daughter and Beacon Light at

Doneaster to make a long

awaited return to the winner's

enclosure. He bas just two to

beal in Spin Again and Tower

Hewever, the best bet from the Uplands quintel is probably Pluodering, among the runners for the second division of the Ashford Novices, Hurdle.

After winning on his hurdling dehul here in October, Plundering could not eatch Bold Yeoman on a relurn to the course for a division of the Vauxhall novices hurdle. But he pul up a creditable perfor-mance in failing by only three quarters of a length to give 3 lb to the winner. He bas less to

do this time.

KEMPTON 1.30—Prayuktau 2.00—Great Light 2.30—Kalkashanndi 3.00-Rolls Rambler 3.30—Arctic Warhler 4.00—Plandering*** SOUTHWELL

2.45—Bambers Security***

LONDON

(half-term repeats). 11.55 Comic

Sirries, 12.00 Song Book. 12.10 pm Once Upon a Time. 12.30 Wild, Wild World of Animals.

1.00 News plus FT Index, 1.20 Thames News with Rohin Houston, 1.30 Take the High

Road. 2.00 After Noon Plus presented by Elaine Grand and

Simpn Reed. +2.45 Friday Matinee: The Crazy Cang in "Casbags." 4.15 Dr Snuggles.

9.35 am Schools Programmes

BBC 1

6.40-7.55 am Open University (UHF only). 9.00 For Schools, Colleges. 12.30 pm News After Noon. 1.00 Pebble Mill at One. 1.45 Bagpuss. 2.02-3.00 For I don't like war, nor most of the people who seem to flourish in wartime, and I despise the hypocrisy inherent in making up Schools, Colleges. 3.20 Pohol Y Cwm. 3.53 Regional News for playground-style "rules" for an activity which starts off oulside England (except London). 3.55 Play School. 4.20 Pixie and Dixie. 4.25 Jackanory. 4.40 Finders Keepers. 5.05 Crange greatest art ever created: painting, music, poetry, prosedured and arma. It is one of the great and sad paradoxes of the human matinee: The Crazy Cang in race and 1 don't expect it to be "explained" by tonight's BBC-2 "Casbags." 4.15 Dr Snuggles. "Playbouse" How Many Miles To Babyion? Yet if Jennifer 4.20 Razzmatazz. 4.45 The Hunting of Cassie Palmer. 5.15 Square ing of Cassie Palmer. 5.15 Square ing of Cassie Palmer. 5.15 Square ing of Cassie Palmer. 5.16 Square ing of Cassie Palmer. 5.17 Square ing of Cassie Palmer. 5.18 Square ing of Cassie Palmer.

Hill. 5.35 Iver the Engine. 5.40 News. 6.00 Regional News Magazines. 6.40 Sportswide.

6.50 loternational from Hong Kong: The Tpwnsend Thoresen Trophy.

8.00 Fame Is The Spur by Howard Spring (last in perfectly respectable dancers in the wonderfully revealing costumes that they now wear for Latin American contests.

8.50 Points of View with Barry 9.00 News.

9.25 McClain's Law starring James Arness. 10.15 Face the Music (London and South-East only).

10.45 News Headlines. 10.50 Ballroom Champions from the Hammersmith Palais. Londen.

11.35-1.15 am The Late Film:
"The Devil's 8," atarring
Christopher George.

Record. 5.10 Pilgrimage

6,40-7.55 am Open University. 11.00 Play Schppl. 7.30 Heroes. 3.55 pm Around with Alliss. 8.00 Gardeners' World. 4.25 The World Land Speed

BBC 2

TELEVISION

Chris Dunkley: Tonight's Choice

any proper moral code. Yet I have to admit that war, the people who succeed and fail in it, and the making and breaking

of those rules have served as the subjects for some of the

is specially written hy Geoffrey Burgon wbo was responsible for "Brideshead" and "Tinker Taylor" and Moira Armstrong

BBC-1 offers Ballroom Champions which shows loday's

5.35 Weekend Outlook 15.40 "Sherlock Holmes And

directs.

The Secret Weapon," star-ring Basil Rathhone. 6.50 Dear Heart.

7.15 Carloon Two. 7.25 News Summary.

8.25 Newpweek. 9.00 Playhpuse. 10.50 Newsnight.

11.35 Friday Night ... Saturday Morning. 12.25 am Open University.

Johnston's original book is anything to go by it could be a powerful drama. The two young Irishmen io Flanders are played by Daniel Day-Lewis and Christopher Fairbank, the musle 6.00 The 6 O'cleck Show presenied by Michael Aspel, wilb Janel Street-Porter and Fred Housego. 7.00 Family Fortunes

One presented by Joe Brown.

5.45 News.

senied by Bob Monkhouse. 7.30 Hawaii Five-O starring Jack Lord.

8.30 The Gaffer starring Bill Maynard. 9.00 We'll Meel Again slar-ring Susannah York and

Michael J. Shannon. 10.00 Naws. 10.30 Bizarre. 11.00 The London Programme:

Beating the Muggers. 12.55 am Clope: Sit Up and

Listeo with Rehert Kilroy-Silk † Indicates programme in black and white

All IBA Regions as Londoo except at the following times:— **ANGLIA**

11.33 am Survival, 12.30 pm Anglia
News, 12.45 Friday Film Matinea:
"Time Gantleman Please." 5.00 About
Anglie, 7.30 The Fell Guy, 11.00
Mambere Dnly, 11.30 Friday Lara Film:
"The Mind Of Mr Saamea." atarring
Terence Stamp, Robort Veughn und
Nipel Davenport. 1.15 aro Lent With
Luku. BORDER

12.30 pm Ver. 1.26 Sorder News. 2.45 Methoe: "John And Juke." B.00 Lookaround Friday. 6.30 Thei's Holly-wood. 7.30 The Fall Guy. 19.30 Wintersport. 11.00 Bizarre. 11.36 Border News Summary. CENTRAL

TI.35 em Something Different (repast of Monday ovening a religious programme). 12.20 pm Ver. 1.20 Cantmi News. 12.45 Murdar and Mystary Matines: "The House DI Seven Gebise," etarting George Senders. 6.00 Cantmi News. 7.30 The Fall Guy. 11.00 Cantmi News. 11.05 Professional Backmball. 11.35 Invitation to Terror: "Dis Screaming, Marianne," starting Susen George.

11.55 em Look and Soe. 12.30 pm Vei. 1.26 Chansol Lunchtime News,

RADIO 2

Whet's Dn Where, and Weether. 2.45
Thu Friday Metines: "Cheaper By Tho
Dozen." S.15 Emmerdate Ferm. 5.00
Chennel Raport. 5.35 Brown Study.
7.30 Hert to Hart. 10.28 Channel Late
News. 10.35 Aujourd'hui en France.
10.40 Myetarious Tales. 10.50 Continantel Cinema: "The Priest's Wilu."
12.35 em News and Weather in Franch. GRAMPIAN

9.30 am First Thing. 12.30 pm Vet.
1.20 North News presented by Devid
Bennott. 12.45 Friday Metinee: "Gangway," atarrinp Jesaie Metinews. 5.00
North Tonight including Sports Deak.
7.30 The Fall Guy. 10.30 What Pirco
Scettiah Footbell? 11.50 Sounds of
Sandy and Derak, 12.05 um North
Headlines.

GRANADA CIRANADA

11.54 em Wattoo, Wattoo. 12.30 pm
Vei. 1.20 Gmnado Reports. 1.30
Exchange Flega. 2.00 Take the High
Roed. 2.30 Fridey Motinee: "Sanda
Di Tha Dusart." 5.00 Kick Dff. 6.30
Granade Reports. 7.30 The Fall Guy.
11.00 A Woak on Friday. 11.30 For
Adults Only: "Revenge," atating Joen
Collina and James Booth.

11.50 am Cartoon Time. 12.30 pm Vet. 1.20 HTV News. 12.45 Friday Film Matriasis: "Judgman Geferred," aterring Hugh Sinclair. S.15 Benson. \$.00 HTV News. 6.30 Mr and Mm. 7.30 The Fall Guy. 10.28 HTV News.

HTV

10.30 The Good Neiphbour Show. 11.00 The Leta Film: "Didur To Kill," storring Heimut Berper.
HTV Cymru/Wales—As HTV Weat eatapt: 11.34-11.49 am About Wslas. 12.00-12.10 pm Flaiebalam. 4.15-4.45 Yr Ynya A'r Fân. 6.00 Y Oydd. 6.75-6.30 Report Walae. 10.30-11.00 Dutlook. SCOTTISH

12.30 pm Ver. 1,20 Scottish News.
1.30 Square Dne. 12.4S Fridby Matince:
"Green Grow The Rushee," eterring
Richard Aurton and Honor Alackman.
S.16 Emmerdalu Ferm. 6.00 Scotland
Todey, 6.25 Sports Extre. 6.45 Mean
Ham. 7.35 Cherlie's Angele. 1P.30
Ways and Meane. 11.00 Bizarre. 11.30
Late Call. 11.35 The Streets of Sen
Franciaco. TSW

11.55 am Look and Sec. 12.30 pm Vet. 1.20 TSW News Headines. 2.45 "Cheaper by The Dozen," starring Clilton Webb. 5.15 Emmerdalo Ferm. Cilifon Webb. 5.1S Emmerdalo Ferm.
6.00 Todey South West. 6.30 Whet a
Ahead. 7.30 Hort to Hert. 10.32 TSW
Late News. 10.35 Postactipl. 10.40
Myaterious Talus. 10.50 Continental
Cineme: "The Priest's Wife," sterring
Sophie Lomn and Marcello Mostrolanni.
12.35 em South West Weether.

TVS 12.30 pm Vst. 1.20 TVS News. 2.45 riday Metinee: "Apportment in

Honduras," atarring Glann Ford and Ann Sheridan. S.1S Watch This Apaca. S.30 Coasi To Coesi. 5.00 Coesi To Coast [continued]. 5.30 Friday Sport-ahow. 7.30 The Fell Guy. 11.00 Hortor: "Devils 01 Darknoes," utarring William Sylvester. 12.40 am Company.

TYNE TEES

TYNE TEES

8.25 am The Good Word. 9.30 NorthEast News. 12.30 pm Vet. 1.20 NorthEast News and Lockaround, 2.45
Findey Mattinec: "The Ddd Job." 6.00
North-East News. 6.02 Spornatima. 8.30
Northem Lile. 7.30 Tha Fell Guy. 10.30
North - East News. 10.32 Friday Liva.
12.00 Superator Proble. 12.30 am Poet'a
Corner. ULSTER

12.30 pm Vet. 1.30 Lunchtime. 2.45
Fridey Matinea: "The Slack Swsn."
starring Tyronu Power, Mauraen D'Hera
end George Sandera. 4.13 Ulster N6ws.
S.15 Hoar Hera. S.30 Good Evening
Ulster. 6.00 Good Evening Ulster. 6.30
Di6*mnt Strokes. 7.30 The Fell Guy.
19.29 Uletor Weather. 19.30 Witness.
10.35 Counterpoint Special. 11.35 News
al Baddime.

YORKSHIRE
12.30 pm Vet. 1.20 Celeader News.
12.45 Friday Film Maximee: "Prelude To Fame." S.00 Calander [Emley Moorand Belmont editional. B.30 Calandar Scort. 7.30 The Fall Guy. 11.00 Thriller: "Miljor Of Decaptron."

(S) Stereophonic broadcast ‡ Medium Wave RADIO 1

5.00 am As Radip 2, 7.00 Miks Read. 5.00 Smon Setss. 11.30 Osva Lee Travie. 2.00 pm Peul Sumen. 3.30 Stave Wright. 5.30 Newbeel. S.45 Roundzable. 7.00 Andy Paebles. 10.00-12.00 The Friday Rock Show (5).

1.00 am Truckets Heur (S). 2.00-5.00
You and the Night and the Music.

RADIO 3

6.55 am Weather, 7.00 News. 7.05
Morning Ceccert [S). 8.00 News. 8.05
Morsing Concert [continued]. S.00
News. 9.05 This Week's Composer:
Bematein [S]. 9.55 Fiaso Gueta [S).
10.40 Medam and Senegus Music (S).
1.00 pm News. 1.05 SSC Manchester
Master Concert [S). 2.55 Choral Music
by Arshma (S). 3.75 The Suech
Quartet clays Becthoven. 4.00 Chorel
Evenagon [S). 4.55 News. 8.00 Mainly
For Plasaure [S). 6.55 Play It Again
[S]. 7.00 Smoke After Dur Words. 5.00 am Ray Moote (S). 7.30 Tarry Wogen (S). 10.00 Jimmy Young (S). 12.00 Gloria Hunniford (S). 2.00 Ed Stowart (S). 4.00 Gavid Hamilton (S). S.45 News: Sport. 6.00 John Dunn Stowart (5): AUU vavid Hamilton (5): A55 News; Sport. 6.00 John Dunn (S). S.00 Barn Dance at the Radio 2 Ballroom (S). 8.45 Friday Night Is Music Night (S). 0.55 Sports Desk. 10.00 Listen To Lee eave Lee Dawson, 10.30 Anything For A Laugh. 11.00 Brian Matthew with Round Midnight.

RADIO

1.00 am Trucketa' Hpur (S). 2.00-5.00 8.00 London Philharmonic Orchestra

12.02 pm You end Yours. 12.27 My Word! (S). 12.55 Weather; programme nows. 1.00 The World at One, 1.40 The Archars, 1.55 Shipping Forecast, 2.00 News. 2.02 Women'e Hout. 3.00 News. 3.02 Allemoon Thoatra [S], 4.05 Poetry Plessel (S). 4.15 Vortima [S], 4.45 Story Timu. S.00 PM: News Megezino, 5.50 Shipping Forecast. S.55 Woather; programme news. 6.00 News. including Frenerical Report. 6.30 Going Plecos. 7.00 News. 7.05 The Archers. 7.20 Pick of the Week [S], 3.10 Piofila. 2.30 Any Questions? 9.15 Lener From America by Alietari Cooke. 9.30 Kelsidoecope. S.59 Weather. 10.00 The World Tonight. 10.35 Week Ending [S], 11.00 A Book et Bedlims. 11.15 The Financial World Tonight. 11.30 Today in Perlipment. 11.45 John Ebdon dalvee into the BBC Saund Archives. 12.00 News. Wordl (S). 12.55 Weather; programme

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Why Hoover hit hard times

Jason Crisp on the appliances group's problems and how it hopes to survive in the UK

IN THE carly 1900s William H. Hnover, better known as "Boss," would gather thousands of his dnor-to-door salesmen to his Ohlo farm for days un end, in a great jamboree of singing the company song and other forms of group molivation. They were celebrating the hounting success of his electric suction sweepers, soon to become a symbol of eleanliness and modernity in

the home. For the best part of 50 years the company's sucress con-linued, an both sides of the Atlantic, first as the product literally swept the market, and then as the all-important British subsidiary exploited its unchallenged brand image tn hranch nut inlo washing machines.

Since the ntid-1970s, however, the jubilition has been replaced. first by a painful lament, and most recently by the strains of what could turn out in be a funeral march. In the U.S. itself, Houver has managed to fight back against tough compevition from domestic cleaner manufacturers and its chief international rival, Electrolux, but it is under lieavy critifor its failure diversify away from its single line of products in what is a near-salurated market.

Bul the chief cause of the U.S. company's wees—coloninating in a plunge into the red last year-was a slump in its overseas husiness, almost all of which originates from its British

Untistially for an American company, nearly 70 per cent of sales are made ahroad. with the UK accounting for well over a third of the total and much of the rest being exported from the British plants. The UK's contribution might have been even greater had Hoover Limited not been losing both market share and profitability, thanks in part to its shawness in cut nyerheads and launch new products as a response to intense competition and weaken. ing markets.

The figures shown in the illustration tell unly half the slory, since they have been achieved by gradually paring margins to the bone — and then

Having shocked the British market last Oclober with the a "weak" discounting polley. decision to close its famous art

"BOSS" Hoover founded his company in North Canton, Ohlo, in 1908. Experts to Britain, from a Canadian factory, hegan immediately after the First World War. By the 1930s UK sales had reached sueb a pitch that the company decided to start manufacture in Perivale; a flotation of the subsidiary's shares was made in London in 1937. The parent company now owns 73 per cent of the voling shares of Hoover Limited, and 48 per

cent of the non-voting stock. The poor performance of the UK company is not the only deterrent to any predator who would like to fulfil the wishes of Wail Street and bid for U.S. Hoover. As Fugna Industries found in 1979, the

West London, as part of a 1,800

job curback and rationalisation

programme, the company fol-

lowed up on Wednesday with

the revelation of its worst-ever

loss, a thumping £31m, for 1981.

now over a senior company

very effectively getring our costs down . . at long last we are getting it right. He

declared that with its new range

machines, plus a much stronger

thrust into the markel for security devices, Hoover was now going for "a product-led

out of ten of the Innocenti's

consider that this is Hoover's

last chance to save its UK operation. Between them, they

and snurces in the domestic

appliance industry lineluding some eminent retailers) accuse

tivity, had labour relations,

weak marketing under-investment and, in general.

three sels of complaint, First.

that the company has failed to

reduce ils manufacturing costs to the same extent as ils com-

petilors; second, that the pro-

duct range has been too narrow; and lhird, that its

marketing has been spoiled by

More specifically, there are

unresponsive management.

Many investment analysts

cleaners and washing

Asserting that the worst was

Hoover family's 35 per cent stake provides a solid hase for defence against an unwanted lakeover.

Merle Rawson, the U.S. chief executive, has said that Hoover Itself is looking for further acquisitions in the U.S. to follow up its 1979 acquisition to an industrial cleaning company. Chemko.

This will not be the first time the parent company bas embarked on the diversification trail. Herbert Hoover, grandson of "Boss" and the last family member at the helm acquired a number of companies in the 1950s which made small electrical domestic appliances, notably steam lrons. His successor, Felix Mansager, continued in a

similar expansionist vein.

siders cite in its favour are the unpredictability of UK economic policies and condi-

tions, the intensity of foreign

competition—especially from East European vacuum cleaners

and Italian washing machines —plus the recent strength of

the pound. Yet the fact remains

that other appliance companies

managed to succeed in the UK

in the same conditions, or at

least to revive themselves with-

out going through as prolonged

main product lines, Roover

certainly suffered more than

most from the continual tampering with purchase tax rates (later VAT), changes in

hire purchase regulations and

These are often blamed for

The imports, which first swept

the current high level of imports into the UK.

in with the Barber boom of 1972-73, come mainly from Ilaly

from companies like Zamussi,

Indesil and Candy. Often accused of dumping by Hoover

been immuoe to foreign locur-

during the first six months of

fiscal 1981 (April through

September, 1981 stood 0.4 per

cent ahead of the preceding six

months for major corporations in the manufacturing industry,

but 16 5 per cent lower for non-

manufacturing sectors, with

overall performance declining

3.7 per cent. Spending by smaller

enterprises also was sluggish.

investment planned for the second half of the fiscal year

ending next March, however, is

up t2.6 per cent over the

preceding six months and 13

per cert uver a year earlier for

major corporations in the

317 per ceot and 9.9 per cent

non-manufacturing

vacuum cleaner market has not parts.

"stop-go" economy.

Dumping

As market leader in both its

an agony as Hoover.

-though not all of them-have

But when profits collapsed in 1974 he stepped down to be replaced by Merle Rawson, who disposed of the small appliance interests, turning U.S. Hoover back into a company with a single product

An analyst who follows Hoover closely says that Rawsoo's strategy had been to increase the company's domestic sales (It had been losing market share to Sweden's Electrolux and Eureka, a U.S. vacuum cleaner maker), and to make the international side profit-able. It succeeded in meeting his domestic target, but as the analyst says, "it just dldn't recognise how severe the problems in the UK

market. In addition to imports from West Germany and France

there bas been a very sharp increase of deliveries from Poland, East Germany and

At the very bottom of the market, the East European im-

ports are generally sold through mail order catalogues. AMDEA

European Commission that some

of the vacuum cleaners are

At the same time Hoover com-

UK have been hit recently by

the combination of UK inflation

and the strength of the pound.

as export-intensive, several of

Hoover's competitors have fared

much better on the UK market

in these conditions, which have

been compounded by the reces-

has increased sales by 400 per cent since 1977, albeit

from a much smaller hasis.

Ralph Cohen, its managing

director, attributes the growth

to the design and quality of

Cohen also points to various

For example, Philips' Halifax

Though they may not all be

Czechoslovakia.

being dumped.

troubles seemed to be as bad as Hoover's, but it now says it has increased market share and the latest figures from GEC its parent company, show an increase in profitability from domestic appliances. In vacuum cleaners, Electro-lux has managed to hold its UK

pany keep stocks to a minimum.

At one stage Hotpoint's

market share and it is thought stil lto be making profits in Britain. This is attributed to several factors, including the flow of new products and to adequate levels of productivity in its large Luton plant even though this bas been automated to a lesser extent then its Swedish facilities.

It is Hoover's manufacturing performance which underlies many of its troubles in both main product lines. The most public evidence of problems, of course, have been strikes and ther industrial action, such as those at the Merthyr Tydfil washing machine and tumble drier plant in 1979.

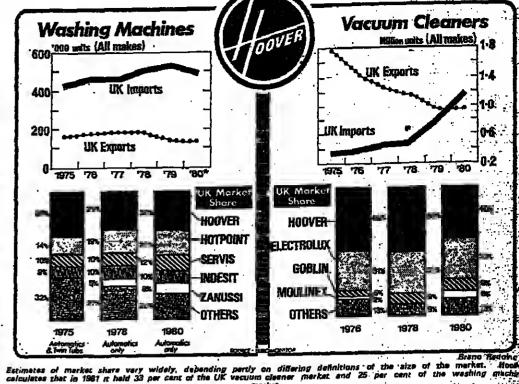
Absenteeism

Merthyr has had a particularly poor reputation for labour has lodged a complaint with the relations and productivity. At European Commission that some one stage absenteeism was reported to be running at 20 per cent. But this was only one aspect of the problem. Though ains that its exports from the Hoover did cut back its labour force in the late 1970s, many observers feel a more thorough attack on unit costs should have been made well before last autumn's exercise.

According to one analyst, in cleaners were still making a respectable return, "Hoover, allowed its highly profitable eash flow from them to finance

factory producing washing Merthyr to an extent which machines and tumble driers, defied gravity."
has increased sales by Though Hoover hopes its latest cuts in the work force will get its costs onto the right footing, and claims there has been a "dramatic" improvement in productivity at Merthyr, one analyst argues that "the main beneficiary of the reorganisation is cleaners—washing machines are still a problem."

The current rationalisation programme is as follows. Closure of the Perivale factory decision to close its famous art dust about the only extenuations, either, and Hoover lost aspects of flexible manufacture will remove over 1,000 jobs. deca factory at Perivale, in ing circumstances which out a share in the cylinder cleaner ing which have helped the com- Production of its flooreste pro-



ducts-mainly Hoover Junior at its factory in Dijon, France. vacuum cleaners—is being transferred to Cambuslang in Scotland, where employment is being cut by 400. Assembly lines have already been moved, and only parts are being made in Perivale by a reduced workforce. The factory is due to close in the sum-

At Hoover's third plant, in Merthyr, a further 400 jobs are to go, bringing the workforce down to a level of 2,000, compared with 5,000 at its beight. Once the reorganisation has been completed Hoover will employ 5,800 in Britain, comwith 13,000 in 1978 and pared with 13,000 in 1978 10,000 at the end of 1980.

Together with this swingeing cuthack has gone the injection of £20m in capital investment over the last five years, much of it on new machinery. This gives hope to some outsiders, such as David Johnson, managing director of Rumbelows, the large electrical retailers. "The moment they get their costs right their problems will largely be over." he says. "I don't believe in the threat of imports. East Enropean vacuum .cleaners do look like East European vacuum cleaners."

But one of his main competitors pnts more emphasis on the need for charges in product policy. Richard Ford, marketing director of Currys, believes that Hoover's product range has been too narrow and in need of rejuvenation. This, he hopes, will be overcome by the new range of equipment now being

Hoover has recently launched a new range of redesigned and quieter cylinder vacuum cleaners which are being made

The company has also introduced a new line of washing machines, including two models priced at below £200, taking it for the first time into this market segment, which is almost entirely dominated by the Italians

Whether Hoover will alter its discounting policy remains to be seen. This is one of the aspects of monetary policy most frequently criticised by its competitors. They claim Hoover has who had been managing directions to weak with the very big tor since 1974, resigned unexpurchasers and that the range pectedly for "personal resigned unexpurchasers are the company varies very widely. "A lot of amnouncement of a £6m loss for of prices from the company varies very widely. "A lot of retailers will not sell Hoover as they don't make a profit on it," said one.

As a result, there are reports of shops stocking Hoover to attract customers, and then steering them towards competitive machines from, say, Hotpoint or Zanussi, where margins (and the salesmen's commis-sico) are higher.

Security

adopt an aggressive diversification policy with home security products, which chalked up £6m tailers point out that this will worth of sales for it in 1931, not last for ever. They have a The company is launching a limited time in which to recaption of the company is launching a limited time in which to recaption of the company is launching a limited time in which to recaption of the company is launching a limited time in which to recaption of the company is launching a limited time in which to recaption of the company is launching a limited time in which to recaption of the company is launching as a limited time in which to recaption of the company is launching as a limited time in which to recaption of the company is launching as a limited time in which the company is launching as a limited time in which the company is launching as a limited time in which the recaption of the company is launching as a limited time in which the recaption of the company is launching as a limited time in which the recaption of the company is launching as a limited time in which the recaption of the company is launching as a limited time in which the recaption of the company is launching as a limited time in which the recaption of the company is launching as a limited time in which the recaption of the company is launching to the company is launching to the company is launching to the company in the company is launching to the company in the company is launching to the company in the company is launching to the company in the company is launching to the company is launching to the company is launching to the company in the company is launching to the company is launching to the company in the company is launching to the company is launching to the company in the company is launching to the company in the company is launching to the company is launching to the company in the company is launching to F500,000 advertising campaign ture the British public and capa-for its new Thiefcheck range talise on their goodwill," says which includes locks and bolts for windows and doors, and kits of home alarm systems. Hoover company has begun acting like hopes to get a 25 per cent share a true American multinational of the UK market—which it esti A major expansion and mod-mates at £200m a year—and 15 ernisation of its vacuum per cent on the Contineot.

Though it claims the market is very fragmented. Hoover faces fierce competition in home

security from, among others, well-known names like Chulch Hoover may also move into home security in the U.S. One of the questions about the long-drawn out sage of Hoover's difficulties which puzzles many observers is that for a U.S.-owned company, there have been relatively few management changes in Hoover Limited. The major one was last August, when Gwynne Lloyd, a chartered accountant

the first six months.

He was succeeded by Peter Goode, the marketing director and long standing Hoover employee, who is credited by some with instilling a more aggressive marketing stance in the

intervening months. Though "rationalisation costs"—including £13.5m in redundancy payments—accounted for over half Hoover's 1981 loss, its financial position would Whatever the uncertainties in clearly take some time to this department, there is no recover, even without the recession that Hoover is going to sion. Hoover still has an enviably strong brand name on which to build, but several re-

> In the meantime the parent cleaner plant in Dijon represents a decision to reduce its heavy dependence on the

DKB ECONOMIC REPORT

Little change is taking place in the slow pace of recovery of the Japanese economy November, such investment

surplus in Nuvember halved

from the preceding month to

\$1.3 billion as exports more or

less proved unchanged, while imports recorded the first

volume-wise increase in eight

months due tu a surge in gold

and aircraft. As the month saw a

high level of interest payments

on foreign-owned government bonds, invisible transactions

ratt a record deficit of \$1.5

billion, resulting in a seasonally

adjusted current-account

deficit for the first time in eighl

months since last March But

these increases in payments

were of a temporary nature, raising little likelihood that the

current account deficit would

The cardinal reason for the

cunsuoiption expendi-

slowness of current business recovery is weakness of private

tures. According to the house-

hold economy survey, con-sumption expenditures by

households throughout the nation last October rose 12 per

cent in nominal terms over a

year earlier but dropped 2.8 per cent after inflation. Such ex-positiones in real terms

hpped no per cent during the

first to months of last year over

a year-eartier period, with all

1961 most certainly having recorded a drop for the second

The siow consumption largely reflected a low growth

of theome after inflation for

wage earners as well as inde-

pendent business operators.

Net income of wage earners' households during the first 10

months of last year increased 3.2 per cent but due to a sizable

12.8 per cent rise in non-con-

sumption outlays, such as tax

and social insurance pre-

miums, the disposable income

noe by only 4.1 per cent, which

represented a drop of 0.9 per

Private expenditures on plants and equipment to real terms, on the GNP statistics

basis, also have been weak;

they dropped it is per cent to the

second quarter of last year

from the preceding period and

0.2 per cent in the third

quarter. According to a survey

by the Bank of Japan as of last

cent after inflation.

consecutive year.

Stickened final demand

Since bottnming out in the spring of last year, the Japanese economy has been staging a recovery, but the nace of expansion has been very slow as indicated by the GNP statisties which showed a real growth of 3 u per cent in the first quarter, 4.8 per cent in the second quarter and 2.4 per cent in the third quarter of 1981. What is more, the economy's growth has taken place almost enlirely on the strength of external demand, with domestic demand playing only a marginal rule Mining and manufacturing

output reached a low point in the sevend quarter of 1981 and moved up by t 6 per cent in the third quarter. In October, it rine to per cent over the prior month, but dropped 0.3 per cent in November. The outlook index rose if t per cent in December over the preceding menth and the per cent in January, indicating a moderate expansion of production until recently. Shipment has also been room and manufacturers' inventories of finished products and inventory ratio have been dropping appreciably since the evalence of smooth progress in inventory adjustment

In the meastime, prices have been continuing calm. Whole-sate prices dropped u t per cent last October from the precedme month for three consecutive months, thanks in drops of import and export prices owing tua rise in the yen's value. In December, they stood only L6 per cent ahead it a year earlier. The rise in prices of domestic minufactured goods

Mirroring the quiet trend of wholesale prices consumer prices have been stable. Compared with the year-earlier level, they recorded a moderate rise of less than 4 per cent for four consecutive months since last August. Although they registered a 4.3 per cent rise in December, that merely reflected the fact that the level for the month a year before had been unusually low due in cheap prices of veretables.

in halance of payments, acosmnally adjusted trade

London Branch

November 2000 Mar N. Miles and Spiney

London Subsidiary: Characteristics of the second of the second

and others, these manufacturers the product, the move down have relorted that high invest from the top end of the range

ment in automated manu into a middle price bracket, ture made them more efficient, and to the 10-year guarantee Though less of a problem, the which Philips offers on major

Percentage Contribution to GNP Growth on Annual Basis

second half of fiscal 1981, Accelerated disbursement of budgeted funds during the first half is the cause of slowdown in the second half.

As for exports, their growth

in recent months has been notably slowing down. On a seasonally adjusted basis, customs-cleared exports in dollar terms rose 2.0 per cent in the second quarter over the preceding period, dropped 1.9 per cent in the third quarter and rose 0.2 per cent in the lourth quarter of 1981. Slowdown in growth rate is also clear from the amount of export letters of credit received, an indicator of the level of luture exports. Growth of exports is generally expected to continue flat for the time being

March period a policy of fully respecting individual banks lending programs, while it had already switched to giving greater freedom to their lead. ing programs in place of the past rigid administration of the so-called "window guidance."

It is not expected; however, that lendings by commercial banks will surge suddenly because of seasonally lean corporate fund demand during the Jaouary-March period and weakness of business recovery.

is incapable of playing a major role, the latest interest rate cut is not considered significantly effective in shoring up business. The root cause of the current slump of domestic demand is the deflationary impact of the second oil crisis, about which the interest rate

as U.S. and European eco-nomies remain in a slump and trusmesses. The total for major Pleat and Equipment Outlays Fisial 1990 (Actual) Fixative(UP,genes) | Mary Lemma | 188 | 187 | 197 | 194 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 Vanishing tensions, 168 -c7 -c3 14 -134

corporations is to grow 22 per cent over the preceding period and 11.5 per cent over a year earlier. Investment planned by smailer enterprises for the second half is t3.4 per cent less than in the first half because of singgish personal consumption and housing and uncertain prospects for the future.

Private housing investment is still very depressed. Housing starts in November fell 2.0 per cent frem a year earlier - for Despite the Government's emchases on housing promotion in the inscal 1982 taxation and financing scheme, 20v rapid recovery appears ruled out because the current depression has its roots in land prices that have soared to a level far beyond the reach of average

On the fiscal side, public works tavestments torned minus after September in comparison with the year ago level and there is considerable concern that they may turn out to be a drag on business in the

Japao must take steps to policy alone can do little. resolve escalating trade fric-Money supply (M, plus CDs) tions with them. has been growing at a rate of 10

Litte effect expected from interest rate cul

In a bid to give a boost to the

slower-than-expected domestic demand recovery, the Bank of Japan slashed its discount rate to 5.3 per cent from 6.25 per cent on December 11. The cut, foorth Since August, 1980, was made alter weighing the slow pace of business recovery, the stable trend of prices, expanding currenf-account surplus and growing strength of the yen. As a consequence, the short-term prime rate was lowered by 0.75 percentage point and the longterm prime rale by 0.3 percentage point

As for quantitative relaxation of money, the Bank of Japan introduced for the January-

Fiscal 1982 draft budget The Government loward the end of last year decided on the budget draft for fiscal 1982 which amounted to #49,580.8 billion, up 6.2 per cent from the fiscal 1981 initial budget. Except for costs of bond issues and allocation of funds to local governments, general expenses

turned out almost flat from

fiscal 1981, with the rate of in-

crease being 1.8 per cent.

per cent over a year earlier recently and if monetary

relaxation serves to accelerate

its growth, money supply will

become excessive relative to

the present rate of nominal

economic growth, leading to

concern over future price

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RATCLIFFS (Great Bridge) PLC.



PRELIMINARYANNOUNCEMENT

Results for year to 31st December 1991

	1981 £	1980 £
Group Sales	40,415,400	41,715,400
Earnings (Loss) Gross Parent Company Subsidiary Exceptional Metal Loss	(85,700) 942,900	(654,400) 646,200 (154,200)
Group Taxation Payable Recoverable	857,200 31,000	(162,400) 67,300
let Earnings (Loss) for the Year After Tax	826,200	(95,100)
tvidends on Ordinary Shares – Interim-Paid Final-Proposed	0.75p 1.25p	0.75p 0.75p
Total for Year	2.00p	1.50p
arnings (Loss) per Share before Release of Deferred Tax Provision otal Distribution Exclusive of A.C.T.	16.74p £136,400	(2.95p) £113,000

cost convention. These do not include the release of prior year deferred tax provisions brought about by changes in the rules relating to stock relief – details of which will be included in the

CHAIRMAN'S COMMENTS

The year has brought about a recovery in group earnings before tax of just over £1m from the depressed levels of 1980. This is a very satisfactory turn around but it must be noted that approximately £200,000 resulted from the lower sterling exchange rate used for conversion of Canadian earnings.

Following the partial recovery in earnings your directors are recommending a final dividend per ordinary share of 1.25p making a total of 2.00p (1980-1.50p). This restores half the cut which had to be PROSPECTS

With the continuation of very heavy competition in the U.K. and European markets and the temporary collapse of North American auto, agriculture and housing markets we have to be apprehensive regarding 25th February, 1982 F.R. Raiciff,

ANNUAL GENERAL MEETING 3.00 p.m. Tuesday, April 27th at Birmingham Chamber of Industry and Commerce, Detailed statements will be mailed to shareholders on Thursday, April 1st 1982.

Johnste

THE ARTS

Round House

STOPHER LOP

oum Cleaner

Edward II

by ROSALIND CARNE

Brecht's first verse play tion. Unmistakably effete, he is (1923) is a close adaption of the Christopher Marlowe emotive about his lover, original of 1590. But where Gaveston, without losing track of the thought behind the role social and personal consequences of a regal infatuation, the later work concentrates on brutal power struggles, as much famikal as feudal. The linear narrative twists around pacts and allegiances betrayed, accentuated in Roland Rees' excellent production by actually tearing the paper of repeated useless contracts. This addance of ferocious intensity staggered like knots along the thread of story-line. Foco Novo little note which determines the King's murder at the end It is an ambitious project for Foco Novo, part of the com-pany's policy of reviving lesser known classics to complement the new writing on which they have huilt their reputation. Let us hope they, and groups like them, continue to have the use them, continue to have the use has problems in the role; she is of this marvellous theatre, unnecessarily crude, overblown Having managed a sneak preview at the bleak and shallow major setback for she is central Ashcroft Theatre, Croydon, I

Ashcroft Theatre. Croydon, I to the action and participates in two of the most exciting constraints in the found House stage lends itself to direct communication with the andience, so crucial in Brecht.

David Dixon's Edward makes good use of every inch of ground, building a quasiconsphratorial relationship with his spectators, only to be swept aside as another manipulator usurps his place. What kingly stature he can muster hangs as much on his blustering and wilful injustices as on the arriver he grabs at his corona-

staggered like knots along the thread of story-line. Foco Novo race through without the con-ventional Brechtlan extras such as posters or slogans. Their mainly period costumes are off-set by the odd clown nose, cordured jeans and a strange cowgirl look for Queen Anne in the second balf. Beth Morris to the action and participates

ICA Theatre

Real Time

by ANTHONY CURTIS

Joint Stock began life as a the evening, occupying a group using the minimum of loosely connected sequence of apparatus (hence facilitating scenes. one-night stands in rather basic of minimal properties bas acting-areas). Its original direct clearly been modified and so tors were William Gaskall and has the reluctance to use the Max Stafford Clark. It occupied the Royal Court for a time and associates with mainstream of The Rogged Trousered Philanthropists at the Riverside. There was no small amount of of gratefully seized acting aggression, of allenation-effect opportunities by the members about those early performances. of the talented company. The main article of faith was hub around which they revolve that the script was a mere start is a blatantly on-the-make, gay, ing-point. It was, Joint Stock art-gallery owner, well played affirmed, during rehearsal that by Chas Bryer, with whom on the roles and situations sug-gested by the writer. In other words, in Joint Stock, per swish clip-joint premises we formers are given creative move to a variety of hadden and in a house of Coliseum and in a house of Coliseum size, a performance as delicate that is insufficient: should not any delightful as the English the portrayal, and the whole show now he preserved as

just opened at the ICA Theatre. The play is described in the programme as "drawn from the than at any time since the days collective ideas and experiences of John Van Druten. of the company," and these have been "structured and directed times powerfully to each by Jack Shepherd" The basic episode, one does not relate to theme is life in London now, the play as a whole. The and each member of the seven audience is required to parcel strong team is required to its sympathy over too many impersonate several inhabitants different areas, and characters of the great wen. We begin rather than to make the one somewhere up North where a big offering required by a real girl, stiffing in boredom at a play. The dissipation of drama-church social, decides to kick tile energy that follows from the over the traces, and leave home

The old Joint Stock notion parity with director and author. flats, family houses and hos-This process has been con-pltal beds. A complex web of This process has been con-tinued in Real Time which has communication is woven by telephone—an instrument used more extensively in this play

lack of any ultimate author's after a hurtful row with her intention is something that this glitter of the gambling father, the minister. She opts intention is something that this the glitter of the gambling father, the minister. She opts intention is something that this the glitter of the gambling scene, even the too-protracted to try her luck in town. What consider, especially when as in farewells—all are of a piece; she and others find in London Real Time the energy has been all linked and developed all

s dazzling shimmer of velvet-soft colours and affoat with charm in the lead performances of Beatty and Diane Keaton is

to film.

It's the story of John Reed, the American journalist who wrote Ten Days That Shook the World—hymned by many as the best-ever eye-witness report of the Russian Revolution—and cofounded the American Communist - Party. Between-whiles Reed fell in love with and married bohemian blue-stocking and beauty Louise Bryant, who wowed America's smartly un-smart set in the 19-teens with her poetry and proto-feminism. Beatty and Keaton haul us

perhaps the most perniciously doceyed opic shout the hirth

of Communism ever committed

unreisting, even happily pliant, through the early reels of this 200-minute 'intimate epic": as these darlings of East Coast early-century society meet, mate and marry; row, reconcile and re-entwine; and meanwhile hoboob with such as "Red" Emma Goldman (Maureen Stapleton) and Eugene O'Neill (Jack Nicholson), who became Louise's fleeting lover. All to a tintinabulation of domesticity and period detail and lithe

But in later reels the warm-up human wackiness goes into Jack and Louise take turns to coldfoot across the snowy Russian tundras to see what Lenin, Trotsky and their chums are doing. And Lo! They pro-nounce it good. Three cheers.

of human relationships, is not

enchanting and beautifully fixished as Valerie Masterson's,

then the trinmph deserves cele-

then the trinmph deserves tele-bration in lond, full voice.

Miss' Masterson's array of French heroines Micaela, Louise Juliet Marguerite (which Landon meets next season)—is a collection of rare value, Mason is surely its man-tantion. Heroines Application of

terpiece. Bar a handful of

terpiece. Bar a handrup of churily taken highest notes, eyerything is in its perfect place, instinctively understood, achieved with consummate artistry, a seamless whole. The prattle of the introduction, the

luxurious teasing of the Cours-la-Reine, the sensual pleadings,

in the soprano's total and un-

comic touch.

Coliseum

Cinema

Paler shades of red by NIGEL ANDREWS

Beatty, who directed, pro-

to America's folk-hero father of Socialism since the mid-1960s. So it isn't wholly his fault—nor that of his British co-script-writer Trevor Griffiths—that Reds pops out of the moviola a few months after martial law in Poland has planted another ghastly wart on the face of European Communism But this Marxist Gone With The Wind awash with love and war and snowscapes and railway-station reunions and variations on the "Internationale" that must have Max Speiner violining in his grave—could never have been other than trivialisation at best. a whitewashing at worst, of a dream-engendered fanalicism that went horribly wrong.

Beatty plays J.R. (the initials alone should have given history a warning) as a puppy-dog freshman aftive with birth-of-anation beatitude and a Beatty-ish love for humanising knockabout. One moment he's burning holes in the kitchen saucepans with his malapert attempt to cook dinner chee attempt to cook dinner chez himself and Louise, the next be's wagging eager sophomoric fingers at Comrade Zinoviev (Jerzy Kozinski) in Moscow because Z wants to keep him in Russia as a lifelong feather in the Soviet cap.

Reed did indeed end his life in Russia, though his widethey urge us as the October spread reputation as the only Revolution resounds, for the American to be buried in the overthrow of Fascism under the Kremlin is erroneous, Louise

ing, teasing, caressing Mas-senet's pregnantly lyrical short

John Brecknock's Des Grieux,

though towards the end the timbre was clouding slightly, is

likewise his finest London role

-ardent, graceful; as skilfully

styled as the heroine. By John

Copley's lovingly picturesque 1979 production, now in the

players are offered the chance

to operate in three dimensions;

the orchestra made a loose,

copybook-blotting stunt; quite

soon. Massenet's light but bril-

liantly sturdy craftsmanship was working its magic in all

Manon

by MAX LOPPERT

Massenet's Monon, though it affected command. Her manoer,

contains a solid core of truth-ful perception about the nature dramatically sentient, of float-

perhaps, one of the "essential" phrases has left both a bounty operas. Even so, when a company gives of it, in translation, image safely and ineradicably

Absence of Malice (A), Odeon,
Leicester Square

Taps (AA) Plaza 1, Classic,
Chelsea

Warren Beatty's Reds, photographed by Vittorio Storaro in graphed by Vittorio Storaro in a dazzling shimmer of velvet.

into history. Reed and his kind there is even a gallery of "saw the Future and it worked."

We have seen the Past and it didn't.

Beatty, who directed, pro
Beatty, who directed, produced and co-wrote Reds, has and others who hold forth in been nursing this movie tribute face-to-camera interviews that and others—who hold form in face-to-camera interviews that are snippeted to between scenes. The problem with this initially striking idea is that collective recall seems either hazy or trivial ("Oh, they were a couple...": "I could scratch my memory; but not at the moment": "You know, she was much hated for her expensive much hated for her expensive taste in clothes"), and suspicion rapidly grows that none of these lovable old buzzards actually knew Reed and Bryant at first haod.

Life comes to the movie whenever Jack Nicholson and Maureen Stapleton burn on to the screen; he is compulsively watchable with Mephisto phelean eyebrows and wry-andraocid romanticism as Irishman O'Neill, she bringing a visionary snap and power to pamphleteer Emma Goldman, like a Mother Earth plugged

into the mains. But the movie's centre is winsome, windy, and ever-evasive: a panoramic public relations job on two dubious staints of plopeer Socialism. Its picture of Reed is iosultingly over-simplified — in-sulting as much to Reed, one would suppose, as to us—and its picture of early Women's-Libber Bryant presents her as a Keatonian skitterer with nary ao idea in her head beyond that of clinging to her man come snow, come Soviets, come Reds or Revolutions.

Saily Field, by contrast, comes on a lot spunkier in Absence of Molice, where she plays a newspaper reporter investigating a shady FBI attempt to use a smear campaign on an innocent man (Paul Newman) to smoke out the real hoodlum(s) responsible

mances-John Pritchard con-

ducting, Ralph Kirshbaum as

soloist—can be brief. The Beethoven had a confident,

well-shaped reading, granted some untidiness near the start; nothing much like bigh drama.

but enough thoughtful detail to

orchestral part boasted some

tion and a lovely speaking line.

The novelty in the programme

was 35 years old, the Second

directions. No need to prolong Symphony of the distinguished cise belied by hints of savage this notice: the word "magic" American composer Roger Sesparody. A curious work, un-

The epilogue was masterly.

care of Stefan Janski, the other raise it above run-of-the-mill.

to operate in three dimensions; and start shall be some some start shall be some strong shall be some shall

Festival Hall

Diane Keaton and Warren Beatty in Reds

FBI's attentions an embarrassment to his hooest liquor-retail husiness. His workers walk out on him, his creditors walk in on him, and Newman's hawkish good looks, oow smoke-topped by grey hair, furrow in fulminous frustration.

As wiltten by Kurt Luedtke and directed by Sidney Pollack, more the silvered times of a this movie hums to the same middling voltage as a goodish episode of Lou Grant. Plonk plonk goes the camera, ever at the service of beads and shoulders, and rat-a-tat goes the dialogue (and the typewriters) in the vast and desky acreage of newspaper offices.

There's a miniature-railway feeling to it all. You know that the little bumps and twists and

movement Second Symphony

portion to its span. The cut of Sessions' themes is sharp-edged

but perceptibly of the American

school; the extreme and un-

ment of them is something else.

functional, though the mourn-

ing paragraphs of the Adagio bave ao original and pungent flavour. The Finalc has the

air of a grand academic exer-

that of black magic called love are worked out with a clear before final curtain. Mr New- and cunning logic; and Field man is of course the recipient, and Newman keep husioess to playing the clean-as-a-whistle the forefront, hilling-and-cooing Mañoso's son who finds the in a wry and idiomatic second

> lives wearing white shirts with an alligator on the tit beating wart-bog with laryngitis, plays no-nonsense General Harlan Bache in Taps, The General has no time for hiy-livered twits is no one — neither the over-who dun't blanco their belts and extended Hutton nor the under-come top at sandhag-bayonet achieving director Harold ting at the Military Training Academy he runs, with an iron fist in a concrete glove.

He doesn't have much time for this movie either, since be exits from it after 20 hoarseharanguing minutes and a shooting mishap, leaving both screen and school to the com-

for a top trade-union leader's biccups in the plot will all end giant military defence operation disappearance. Not even the up happily at Rose-covered against its impending takesessy Miss Field—for this is Terminus. But at least the over: by the police and army Hollywood still—falls victim to conspiracy-theory sheoanigans on heliaff of property development. lopers, its lease having expired.

> Locked gates. Bazookas at the ready. Rifle-bearing cadets na wry and idiomatic second at the reindow. Hutton damp and nervous hencath the daughty impersonation of a rantrad. This script must have seemed a good idea to someone at the time, but in performance graduates from army school, and hingey lock horns in the more the silvered there are Patton.

But oner the bronchial superachieving director Harold Becker — who can tweak the movie in new and stirring direc-

Hallowcca 2 was unveiled to the Press while I was still tival. I shall review it next screen and school to the command of his co-star Timothy Hutton (of Ordinary People). Hutton thereupon sets about organising the academy in a 2 and Chanel Sultone.

ENO plans for 82/83 season of the six new opera productors and two revent success that the product the six new opera productors and two revent success that the product the six new opera productors are the six new operations.

tions that the English National cesses, Otello and Romen and Opera bas promised for next Inliet. Lord Harewood admitted Beethoven's Fifth Symphony and Walton's Cello Concerto bave yet to be beard in Britain; season, five are of works by that a planned revival nf David are heard so often on the South the process of recognition bere the process of recognition bere the process of recognition bere when added to the major rancelled for economic reasons. nusic, knotty and compact, to revival next August of Proko- and revealed that the GLC had fiev's War ond Peace, this still not announced its grant for amounts to a season with a the forthcoming season.

distinct Slavonic theme. Ligeti's Le Grond Mocobre. are ordinary enough but for its tiny Scherzo, which grimaces with a fierceness out of all proreceives its British premiere. Chaikovsky's Queen of Spades, Prokofiev's The Gombler, Dvorak's Rusolko, and

compromising chromatic treat- Janacek's Mokropoulos Case (borrowed from Welsh National too toughly controlled to sound and Scottish Opera) are all pro-Epressionist and too purposeful duced by the company's chief to seem mere decoration producer-elect, David Pountney nilion for having written a work Orchestral colour is always and all (except The Gombler) of outstanding quality for the conducted by Its musical direc-

Miller Rigoletto.

Nell Dunn wins Susan Smith

Blackburn Prize The fourth annual Susan Smith Blackhurn Prize has been awarded to Nell Dunn. This literary prize of £1,000 (or \$2,000) goes annually to a woman who deserves recogof outstanding quality for the

English-speaking theatre. The prize was presented to tor, Mark Elder, who also takes The prize was presented to charge of the new Jonathan Ms Dunn at the Garrick Club for Steaming, a play about a Other important revivals in- group of women who frequent clude Boris Godunov with the a public steam bath in London Danish bass Aage Haugland, and which is now running at Rita Hunter returning for Il the Comedy Theatre in Lundon.

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servative (8) 30 Put me in the back because Im a bore (6) DOWN

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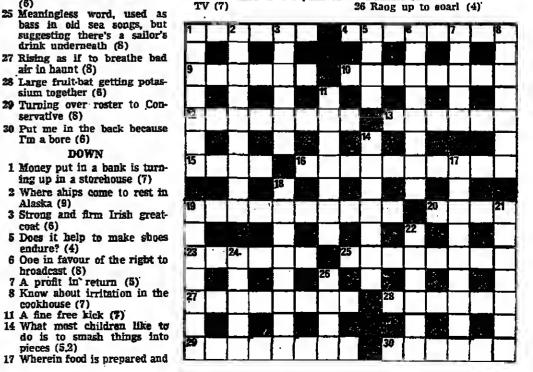
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prisocers are interrogated 21 Perform work upon a stake for a titled widow (7) 18 The don is, or could he, a 22 Burning a mark on a tree (6) 24 Stir up the start of strife in a rabble (5)



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Friday February 26 1982

Help where the shoe pinches

YESTERDAY we argued in measure to cover the delay in priociple for a mild fiscal introducing the taxation of relaxation on March 9-not the massive stimulus which many of the Government's critics favour but a correction of what appears to be an unintentionally restrictive policy. Present forecasts suggest that the public sector borrowing requirement on un-changed policies would be about £Sibn for the coming financial year after allowing for asset sales.

It seems likely that the Treasury is now edging this figure upwards because of falling oil prices, and possibly because of the high interest rates of recent months. Allowing for the off-setting effects of cheap oil on activity and non-oil revenue, and for the subsequent easing of interest rates, the present-policy forecast should still be under £10bn gross of asset sales, or £9.5bn io headline terms. Thia is a little above the medium-term target, and belps to explain Whitehall'a strenuous effort to dampon expectations; but as we argued yesterday, a medium-term cash target ought not to be immutable; activity is below its intended track, and ao oaturally revenue is disap-

lo our judgmeet, theo, there should be room to the Budget for relaxations of the order of £2bn. This is not enough to produce any dramatic effectsan assault on inflation through a cut in VAT, or a drive to reduce employment costs signifi-cantly through a cut in the national insurance surcharge. The help needs to be more narrowly targeted—to ease the pressure where the shoc pioches most painfully.

the Government's biggest political and sorial is unemployment. there can be little doubt about the most urgent objective, though there is endless argument about how to improve matters. We would suggest that attention should be focused on three areas: the situation of Inw-income families, help for regional employment, and cer-tain kinds of public-sector

The most regrettable feature was to some extent an interim stimulus.

welfare benefits. This new source of revenue, together with a proportion of the thin total relaxation available, should make it possible to make some compensation. A slight over-indexation of the tax floor would be one way to reduce the poverty trap, which so reduces the incentive to work. A more geoerous treatment of child allowances would in our view be just as effective in this respect, and preferable socially.

Industry and some Tory backbenchers have been campaigning for a cut in NIS as the best way to improve competitiveness and foster employment; a worthwhile cut does not seem possible unless some other tax is raised disproportionately However, a cut available only in high unemployment regions could be oo a more generous scale, and would be unlikely to be dissipated in wage settle

We would also support the arguments of those Government critics who bave argued that a rise in some forms of infra-structure investment, with large offsetting savings in ooemployment pay and higher revenue, would be a highly desirable way to generate a small increase in the PSBR. The argument is especially strong io budgets, such as the road programme, which have been underspent because of a sharp drop in tender prices. The combined argument of higher employment and value for money is strongly persuasive - and an increase in spending due to lower prices would help to demonstrate the positive side of cash limits.

Undesirable

Finally, we would stress the need for almost cost-free amendments to capital and personal taxes which would belp industry to raise long-term capital in the markets. The tax rules which give Government borrowing special exemptions are a bigbly undesirable form of crowding out, helping to inflate bank borrowing while it depresses activity; and companies should also be permitted to innovate in the markets which the of last year's Budget was the Government has now opened suspension of Rooker-Wise, and up for indexed debt. A more the consequent disproportionate even-handed approach to the burden on the lowest pald. The financial market might be as Chaocellor explained that this helpful as any likely fiscal

The challenge of the Caribbean

SINCE President Reagao took office last year the U.S. has been faring mounting problems in Central America and the Caribbean for whirh the Administration appeared to hold the forecs of international communism exclusively re-

Wednesday the U.S. leader made it clear in his speech to the Organisation of American States in Washington that not everything could be attributed to the schemings of Moscow or Havana, The oil crisis and the poor showing of commodity prices had, he said, brought on "economic disand the countries of the area were "under economie

Tariffs

The package he proposed as a palliative to the region's woes cootains some imaginative projects, notably the freeing from U.S. tariffs of all imports from the area (with the exception of textiles and clothiog). technical assistance for the region's businessmen and \$350m worth of new ecocomic aid whirh will be conceotrated on the private sector. In a rbetorical flourish he

urged his southern neighbours to make the best of "the magic of the market of the Americas. out it is clear that he is willing to give some governmental assistanre in the magicians. Going back a little on the tough line he has been adopting towards the international financial stitutions such as the World Bank and the Inter-American Development Bank, he called on them and the allies of the U.S. worldwide to increase their aid in the Caribbean basin.

President Reagan's message is simply disappear in El Salvato be applauded even if one dor, for instance, or Guatamala. may legitimately express some doubts about its efficacy. Will if the Reagan administration one-way free trade for the were to conclude that economic Caribbean basin really enable aid obviated the need for polithe region to carn very much tical acumen in Central more given that 87 per cent of America and the Caribbean. exports to the U.S. already enter duty free? Will the concept of adventurous polices of the limited free trade for a select Cuban regime (which, inciden-and privileged group of develop-tally, cannot without large ing countries not pose knotty borrowing from Mescow mainproblems in the context of global trade negotiations? Will \$350m provide any substantial doing that Washingtoo must not assistance to a group of couo- make the mistake of trying to tries whose deficits are mea-sured in billions of dollars? regimes just because they claim Even if the answers to all to belong in the Western camp.

positive oo one must expect the Caribbean Basin initiative to solve the long standing and acute political problems of the regioo. And when on Wednesday Presideot Reagan turned to examine these political problems he appeared less than sure footed. To say, as he did, that the

cooffict in El Salvador was an attempt hy guerrillas armed and supported by and through Cuba to impose a Marxist-Leninist dictatorship on a people as part of a larger imperialistic design was, at best, simplistic. Nor was it very prudent to condemn alleged infringements of human rights by the Government of Nicaragua while keeping silent about the excesses being committed by Governments such as those of Haiti and Guatamala. It was hardly adequate to suggest that Reagao administration's reaction to events in the region were merely the result of "a determined propaganda cam-

Leaving aside possibly mis-leading parallels between Vict-oam and Central America it is legitimate to make the point that the turbulence of the region is the result not just of temporary economic difficulties hut also of widespread dissatisfartion with outworn systems of

Even if, by some miracle, growth rates were to be put back to their highest historical level and balance of payments deficits wiped out at a stroke the Caribbean basin. the urge for political change The economic content of and modernisation would not It would be very unfortunate Russiao expansionism and the tain a viable economy) must certainly be countered. But in

Opec: harsh choices ahead

OIL PRICES UNDER PRESSURE

By Roger Matthews



	EARLY	1762 rt-Term Output Levels	(1.000 b/d
	Fitancial Reserve	es Needed to Balance	Present
	\$ bn	Current Accounts	Quiput'
Saudi Arabiat	161.6	6.410	7,900
Libya	33.4	1,070	\$70
Kuwaitt	76.2	900	850
UAE	38.6	810	1,400
Qatar	16.1	60	360
			11 200
	325.9	9,250	11,360
ran	3.0	. 3,610	950
1724 .	31.8	2,110	950
Nigeria	4.5	2,230	1,200
Algeria	3.8	1,200	700
Sabon	0.7	160	150
enezuela	7.7	2,490	2,100
cuador	0.7	720	200
ndonesia	10-0	1,500	1,600
			9.450
up-Total	62.2	13,430	8,450
	****	22,680	19,830
Grand Total	388:1	22,000	17,000



The implications for those countries - and companies - which have won the largest share of the oil producers, booming markets will be uneven and take some time to emerge. There is unlikely to be any dis-cernible change in Saudi Arabia. but contractors looking for large oew orders from Iraq, for example, are almost certain to be disappointed. At the moment there i sno evidence that exist-

ing contracts are at risk. Nigeria, which planned to spend £6.2bn this year, has been most immediately affected. Although it managed to accumulate some reserves in the beady days of 1979-80 it was forced to announce curbs in December which will delay or discourage about \$5bn worth of imports. Oil output has picked up from the low of 500,000 barrels a day industrialised members of Opec in August to about 1.5m b/d. but this still remains well short of the 2.2m b/d it needs to balance its current account. For Indonesia it is the trend

and growing by 2m a year the threat of deckining oil revenues caused by a 10 per cent annual increase in domestic energy Non-Opec Mexico has a simi-

lar population problem but with

the buoyancy of the oil market has been able to create an astonishing 800,000 jobs ennually for the past four years. In 1982 it will fail to achieve its target, with GDP growth fore-cast at 4.5 per cent or just a little over half that achieved anually for the past four years. Instead of forecast oil revenues of 20bn last year Mexico re-ceived only about \$14bn. The fall was a major factor in last week's decision to devalue the

But it is in and around the Gulf where the alarm is the greatest and the stakes highest both in the short and medium The present world oversupply of crude bas occurred despite the lost of over 4m b/d

apparently unwinnable war. Neither country can expect to earn much more than \$80n this year from oil exports, a sum below budgeted exmassively penditure. Iran is being forced into the desperate position of selling gold reserves while Iraq which has published no financial statistics for the last four years is having to borrow

Seen from the eastern shores of the Guif there is just one country which is primarily responsible for this state of affairs Saudi Arabia. By maintaining a production ceiling of 8.5m b/d, when it needs less than 6.5m b/d to keep tts current account out of deficit, the Saudis stand accused of ruining the world oil market for those in far greater need. However, lest month Saudi

production dipped below 8m b/d and at times this month has been close to 7.2m b/d giving little more than 700,000 b/d leeway before it too reaches break rather than the immediate io exports from Iran and Iraq even point on current account. requirements. Qatar is placed impact which is of greater conwho after 17 months are still There appears on question yet of in as comfortable a position and cern. With a population of 150m locked in a bitter and the Saudis trimming their is also sitting on massive gas even point on current account.

\$236bn five-year plao. At the start of this year it was forecast their investible surplus could decline some 25 per cent to uoder \$30bo during 1982 but this has to be seeo within the context of financial reserves totalling over \$160bo and pro-ducing earnings of at least

The other small-population oil exporters bave similar flexibility in cutting sales without seriously affecting their budgets Government Ministers in Kuwait are talking of modifying the 1982-83 budget to take account of falling oil revenues. In 1982 these may be little more than balf the 1980 figure of

But Kuwait can also rely on the fact that its reserves of \$75bn\$80bo will provide additional revenue of at least \$8bn. Teh financial resrves of the United Arab Emirates are only half those of Kuwait, hut at about 1.3m b/d the UAE is still selling oil well in excess of requirements. Qatar is placed

For Libya the full extent of problem is clouded by the political activities of the mercurial Colfi. Gaddafi. But despite some cuts and doubts over major prestige projects Libya's reserves are strong and at the

damagingly bleow requirements. Pressure is mounting within Opec for an emergency meeting next month to try to close the widening gap between surplus producers and those who are being badly squeezed by falling

demand and softening prices. Yet even if the Saudis dropped their production ceiling by 2m b/d this would only tem-porarily alleviate the difficul-ties of those other producers who moved in to take np the slack. It certainly could not be guaranteed to ease the down-ward pressure of the \$34 a barrel reference price for Saudi

Instead Saudi Arabia appears

to believe that only a more realistic pricing policy including perhaps a \$28 a barrel reference price—will ensure the long-term future of Opec. It is however scarcely a palatable option for those producers most in need of in-creased revenoe this year. Saudi Arabia, Kuwait, United Arab Emirates and Qatar, for example, have softened the blow for Iraq by providing credit lines of over \$20bo in the past 12 months and there are possibilities of further recycling of surpluses to assist other Opec members in diffi-culties. But there is also a limit to what those four coootries can

Predictions about the price and quantity of oll production have proved disastrously wrong too often in the past, but this time there appears every chance that the lesson that Saudi Arabia has been preaching for several years — that oil prices can be pushed too high — is finally going to be proved

Excess supplies chasing too few customers

THE tumbling prices and lowered demand for oil ex-ports, now causing Opec's 13 members so much discomfiture, arise largely from the continuation of the worldwide economic recession and steps taken in the West to lessen dependence on oil imports. Opec bas been caught in the backwash of its past price

highly desirable partners.

From the United Kingdom, through the Middle East to Nigeria and Venezuela, budgets are being re-examined in the

light of sharply lower revenue

forecasts. Some producers may find it relatively easy to accom-modate delays in capital ioten-sive projects. Others face much

harsher decisions and have no

illusions about the possible political risks involved. The clearest indication of the

current change came with the announcement that during the

third quarter of 1981 the Opec oations as a group had become

net borrowers oo world finan-cial markets. The estimated

Opec current account surplus of \$62bn for 1981 bas slumped

to an estimated \$35bn for

1982. But forecasters are now

talking about a \$20bn deficit by

1984 unless there is both a resur-

gence io demand and a strong

cutback in development pro-

Predictably, it is the non-

with the largest populations, which are being hardest hit,

although the effects are spread-

ing with nine of the 13 Opec

members failing to sell ecough oil to cover their budget re-

grammes.

Demand for Opec oil has fallen to the lowest level since 1969, Last year the Organisa-tion's output was cut to 22.5m. barrels a day, 4.4m b/d below the depressed level in 1980 and 8.8m b/d below the record output in 1977.

It is hard to believe that only a decade ago British Petroleum and other industry forecasters were working on assumption that by the mid-1980s Opec would need to produce between 43m and

53m b/d to meet the energy requirements of non-communist countries. Even in the more sober days of 1979, BP was forecasting that by this year Opec production would have to be in excess of 30m b/d to avoid worldwide supply

Few analysts reckoned that prolonged recession and conservation measures - both greatly influenced by the oil price rises of the 1970s—would depress non-communist world oil demand from all suppliers to the present low level of about 48m b/d, especially after such a bitter winter over moch of the northern bemisphere. Demand this summer could be as low as 45m b/d-roughly the level of consump-

Opec's problems have been made more acute by the steps EXPORTS TO OPEC COUNTRIES 1981 (1st half)

which have been taken to increase output in other parts of the world, particularly in Mexico, the North Sea and Alaska. While Oper's output has been falling, the produc-tion of non-Oper countries has been rising, by 3.4 per cent annually between 1974 and 1981.

Non-Onec countries now produce almost as much crude as the Organisation's member states. During the 1970s Opec accounted for about two-thirds of supplies. Furthermore, production of other energy sources-mainly natural gas, coal, hydroelectricity and nuclear

by 2.2 per cent annually during the past seven years.

To make matters even worse for the majority of Opec members, the leading exporter—Saudi Arabia—contiones to produce oil at a prodigious rate. The Sandis maintain they are producing in accordance with their preferred ceiling of 8.5m b/d. Market reports suggest that the true level of Sandi out-In the present market con-

ditions the difference is almost irrelevant. In practice the Saudis would have to cut production by another 3m h/d or so this summer if the world supply and demand equation were to be made to balaoce. Such a unilateral cut is out of the question.

So while excess supplies

continue to chase too few customers, prices will keep on falling. This is why traders are now talking about the possibility of the average crude oil price falling from the present level of about \$33 a barrel, amost \$2 less than the peak last spring, to \$28 or even \$25.

The one ray of hope for Opec is that the lower prices will stimulate oil demand and help pusb the developed world out of the recession. In this case prices would tend to harden. In the present confused conditions, few oil companies are now counting on crude prices rising above the present rates in real terms for at least the remainder of the 1980s.

Ray Dafter

Men & Matters

Fraser's

out-house

I hav built up a good team and we are ont doing our own thing," Sir Hugh Fraser observes on his resignation yesterday from the Harrods stores group which his family established.

From May 1 the controversial son of the House of Fraser will be opening a chain ot shops in "top market" retailing, trading under the name of "Sir Hugh." The new chain will operate initially in Glasgow. He is also involved in a sportswear con-cern. "I have got my fingers in a few pies."
In August Fraser plans to Tin foil

marry for the third time. Intended bride is schoolteacher Annabel Finlay who, be says, belped him kick the gambling babit that once cost him £1.5m in 18 months.

"I have got Annabel working on my book to make it accept-able for publication." Fraser says. It would be a pity, per-



"I'm definitely pro-Labourmationalisation we have denationalisahaps, if she tidled it up too much. It threatens to tell a chilling tale of horror and drama in the boardroom as Fraser was toppled from the chair by Professor Roland Smith. A highly lurid account of the

same events was published by the Monopolies and Mergers Commission last December when it examined the proposed take-over of House of Fraser by If Tiny Rowland ever decided

to kep his promise and reappoint Fraser as chairman, the Commission noted, the move "might reinforce the tendency of House of Fraser directors to leave."

Most of the shouting on the floor of the London Metal Exchange yesterday seemed to be about copper. Tin prices were collapsing quietly if dramatically — and up in the boardroom officials were celebrating the passing of a crisis with pewter goblets of cham-

Some blood has been shed, but nothing terminal," commeoted one official. It was feared that this week would see a breakdown of

trading on the Exchange with sellers of tin being unable to meet their commitments and defaulting on contracts. The Exchange took the pre-

caution earlier this month of limiting the penalty that sellers would have to pay for for a change as the packets of guessing wrongly. But there was still considerable uncertainty, as large forward sales became due for of the Sovereign.

delivery yesterday, whether the mystery group that has bought up the world's surplus tin supplies - apparently for the Malaysians — would release enough to help the sellers out. In the event they did. And the danger over new chairman of the Exchange's management committee, Michael Brown, of metal merchants Lonconex. was able to relax for the first

Shrugging off the price col-lapse as well as the criticism, Brown claimed that the prime objective of restoring "orderly

Mint condition

trading " had been achieved.

Twelve days before his Budget, Sir Geoffrey Howe looked pleased enough with the state of sterling yesterday.

In "full fig" robes of black and gold, the Chancellor of the Exchaquer escorted the Queen at the Trial of the Pyx, the ancient ceremony for testing the size, weight and purity of the Royal Mint's coins. It is 700 years since the

earliest known writ for the trial was issued, calling together a jury of "swelve discreet and lawful citizens of London with twelve skilful Goldsmiths" to examine the coins Nowadays, all the requisite

virtues and skills are lodged in a jury of 24 Freemen of the Goldsmiths' Company under the eye of Master John Ritchie, the Queen's Remembrancer. His remembrance of the last

turned up in 1611.
The Chancellor Ritchie reflected, usually waited for the trial's verdict in May to put in an appearance.

But Sir Geoffrey showed such eagerness to handle real money gold sovereigns were emptied that photographers had to sboo him out of the way of their pics

Fly Spanish

Sir Freddie Leker's golden boy image is rapidly turning green around the edges, and no more so than in Spain where the once-relaxed view about debt collection is beginning to harden. The Spanish bailiffs have been in town this week in the form of Eudardo Gamero, a

youthful neatly pressed negotia-

Gamero'a task has been to collect as much as possible of the £1.3m that the Laker group is said to baye owed Spain's botel keepers when the crunch came. By now, having succeeded both in getting the money (immediately from Greeoall Whitley and in stages from Saga, the two new owners of the Laker tour off-shoots). Gamero can surely look forward to a hero's welcome back on the Costas.

Spanish boteliers bave traditionally been unwilling to chat about their husiness to anyone, notably the Spanish tax inspectors, but after battles with the noions and problems of pay-ments from foreign tour companies they decided that perhaps a little co-operation might not be a bad thing. Now Gamero, after only one year as co-ordinator of the 2,000 botel strong Zontur organisation, is determined to organise Mediterranean super-union of boteliers to crack down on

holiday debtors. My meeting with the affable Gamero coincided with a brief visit by a monarch—Charles II chat with a former unrector of in 1669—was slightly at odds Court Line ("Don't mention my with official Mint history which name, old boy, sleeping dogs and all that"). He was moved to distress by the events of the past few weeks. "How come we owed £8m and were villains. and Laker owes 20 times that

Water-hole

Just before the Good Beer Guide was printed; a telephone message to editor Roger Protz warned that the landlords of one of the 6,00 listed hostelries serving "real ale' was being prosecuted for watering his

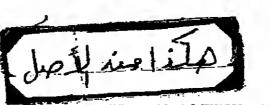
The im was removed from removed from the Guide-'Riverside pub with enterprising landlord."

Ubserver

4 WAYS YOU **CAN HELP BARNARDO'S**







By Malcolm Rutherford

MONDAY WAS an unusual Fergus Montgomery, a Tory MP occasion in the House of Com- who is the parliamentary conmons: there was a debate on the arts. Next Wednesday will he an unusual occasion in the control of the suitant to the Society of West an unusual occasion in the control of arts. Next Wednesday will be End Theatres, acknowledged an unusual occasion in the City that whereas this time last year of Londoo: the Queen will opeo the Barbican Centre which, among other things, will be a home for the London Symphony Orchestra and the Royal Shakespeare Company.

Barbaan them the tree current whereas this time last year of dozen were dark—that is, empty—today they are open. It's not just London. Mr Paul Channon, the Arts Minister, talked about the Bradford museum of pholography opening

speare Company.

Between them, the two events Between them, the two events this year, new theatres in Plydraw attention to an extraordinary fact. Britain may be deficient in comparison with the countries in the comparison with the countries in the countrie nther countries in all sorts of ways, yet the arts continue to

"The arts are perhaps the only that we have succeeded in keeping out of party politics."

Monday's debate tended lo bear that out. Some of the hest the dehate, as far as subsidies speeches came from Mrs Renee are concerned, is that sucresshort, who must hy any atandards be regarded as on the far preity well, but not quite well left of the Labour Party, from Mr Andrew Faulds and Mr Toby tric wings of the Lahour and Tory Parties respectively, and from Mr Cormack, who is times suspected by the Tory leadership of being about to defect to the Social Democrats. None of them was in essential

The debate gave evidence hoth the gloomy side, there was Mr Faulds, the Labour spokesman centage increases conceal some for the arts and an scior hy profession, saying: "The British which is the future of t film industry is near to col- Shakespeare Company. Ispse, The Royal Academy canexist for ever on a proferred hegging bowl... The National Trust may need bailing out.... There will have English National Opera. But, to be a rescue operation to keep alive and open London's West

End theatres. On one particular pnint, the future of the university museums, he was supported by Mr Robert Rhodes James. Tory member for Cambridge, decided, however, that its longwho warned that some of them -the Ashmolean at Oxford, the Fitzwilllam at Cambridge and the Courtauld Institute in Lon- London home at the Aldwych don-might have to be closed to and the move beyond Shakethe public for lack of funds.

rchestra losing its grant from the Manchester City Council.
On the happier side, Mr

Moore gallery.

The point that emerged from enough. present In particular the Government has not

cil is being increased from £80m this year to £86m in 1982-83. Central Government provision for the arts as a whole is going the bulk of the arts world tends for a pessimistic and for a relatively optimistic nutlook. On considerably worse.

real problems, not the least of which is the future of the Royal

The RSC is by any standards one of the jewels in the crown -along with Covent Garden. the National Theatre and the unlike the others, it got into the subsidy business late. Just over 20 years ago there

was simply the Shakespeare Memorial Theatre operating In Stratford-on-Avon and paying its way. The governing body term future lay in creating a hase in London: hence the formation of the RSC. its speare. When the new company

Yays, yet the arts continue to Ourish.

The question of why the Ourish British should be so good at There is also a political point. The arts was not really touched As Mr Patrick Cormack, a Tory on. It's not just theatre and MP, said in Monday's debate: music. It extends across the music. It extends across the board to television and radio. great sphere of our national life sculpture and poetry. Perhaps nobody knows the answer: il just happened.

up from £178m to £193m. As

Yet the figures and the per-

Not least, there was the made operating losses, li was general concern about the Halle able to fall back on its reserves.

Not any more. The reserves have long since gone and the RSC is expecting a loss in



Tony Church and Judy Buxton in the Ruyal Shakespeare Company production of La Ronde at the Aldwych Theatre

1981-82 of around £300,000 nn a turnover of £6.9m. That is on revenues from radio, televisino and touring abroad, which are such a scale

Of course, the RSC does now receive support from the Arts Council. In the coming year this will go up by 17.6 per cent to £3m-s much higher percentage increase than for sny of the other big four. Covent Garden is getting an increase of less than 6 per cent.

But because the RSC went in late, grants have not really been fully built into its financial structure. They are an addendum rather than a principle.

The hest basis of comparison ls with the National Theatre. In 1980-81 the average price of admission to the National was £3.82; st the RSC's theatres in London and Straiford it was £4.72. The figures for subsidies are the most telling. At the National the subsidy per paid admission was £7.50; at the RSC it was £2.89.

The RSC tried to recuperate lands, or at least the Birmiogby raising its prices at Stratford last season to a maximum of top of an accumulated debt of last season to a maximum of £100,000 and the current loss £12 a seat, Attendances fell to would have been much bigher a little over 70 per rent of had it not been for exceptional capacity, which is good by London standards but not enough for Stratford to pay ils way. most uolikely to be repeated on Next season the maximum price will he reduced to £11.30 in an attempt to attract higger

audiancea.

None of this came up in Monday's debate since it is still being discussed by the RSC and the Arts Council. But it does seem that the situation is beconing critical.

There are several possible solutions. • The Arts Council could give

more money but that is un-likely. The Council is sympathetic, but has no more money • The Government could give

more money. Again that is unl likely., but msy have to be recommended as a last resort. vide £1.600 a year for a theatre studded production of Alda, that is suppose to serve the Mid-Yet, in the event, Nicholas

ham area. • The Stratford operation could be closed hecause that is the real loss-maker. However, that night be difficult under the terms of the Royal Charter.

Perhaps appropriately the chairman of the board of governors is Sir Kenneth Cork, the country's hest-known receiver, courrently trying to sort out the profilems of the De Lorean Motor Company. In London the move from the Aldwych to the Barblean is said to have heen aranged in such a way as to be financially neutral.

• There could be sponsorship. At present, sponsorship accounts for only 1.6 per cent of the RSC's total revenues, but injected some £6m into British arts in general last year. The trouble here is that theatre is not regarded as terribly safe:

It would have been hard to have gone to (say) BP and said: "Look, we have this marcommeoded as a last resort, vellous idea. We're going to The local authorities could dramatise Nicholas Nickleby. give more money. At present, Will you back us?" Much easier the Stratford authorities pro- to seek support for a star-

New York as well as London.

There could be any combination of the solutions above. After all, we are talking about relatively small sums of money. It would be a pity to let part of the RSC's operations go to the wall because of a loss of £300,000 and the anomaly of it not having become a central part of the grants system. In another field, Barclays Bank bas put up fim to support overseas lours by the Royal

Nickleby was a smash blt, in

The conclusion is that we should consider these matters more carefully and not leave so much to chance. As Mr Cormack said, speaking of arts and culture in the widest sense: "An august institution, such as the Royal Academy, could be saved for posterity by less than I per cent of what we have spent on British Ley-land in the past year. We collect more in VAT from repairs to listed buildings than we spend on assisting them."

Mr Faulds proposed a greatly enlarged Ministry of the Aris, possibly to include responsi-bility for tourism since the arts are one of the principal attractions to foreign visitors. Whether you go along with that depends on your faith in bureaucracy. There does bureaucracy. There does seem a case for giving the Aris Minister more say in the film industry. At the momeot the responsibility resides, anachronistically, with the anachronistically, with Department of Trade.

The House of Commons Select Committee on Education, Science and the Arts, under the chairmanship of Mr Christopher Price, the Labour MP for Lewisham Weat, ia conducting a comprehensive in-quiry into the funding of the srts. We should all look for-word to its report. For one of the consequences of the technological revolution is that more and more people will have more sud more time to enjoy stage, screen, radio, historic buildings, and whstever else.

Mr Channon added s twist to the story yesterdsy by appoint-ing Sir William Rees-Mogg, the former editor of The Times, to be the new chslrman of the Arts Council. In many ways he ls an inspired choice. Sir Wil-liam says that it will he quite compatible with, even complecompatible with, even complementary to, his remaining as vice-chairman of the BBC.

| employment pie: industrial condition of the back of the complement pie: industrial condition of the condition of the

Lombard

M Davignon's dual burden

By John Wyles in Brussels

Irishmen gather together here over a glass these days, their speculation turns as much on who will be the next Irish member of the European Commission as the next Taolseaco in Iveagb House. Their interest goes beyond the normal desire f hureaucrats and journslists to have tipped a political win-ner. This time national pride is at stake. The vacancy in the Commission arises from Mr Michael O'Kennedy's success in winning a Parliamentary seat

tory because be enjoyed precious

few during his year in Brussels. Mr O'Kennedy, with a respectable record as Foreign Miniater behind him, bad a ghastly time here largely because he had nothing to do. He had partly himself to hlame for this. When the Com-mission jobs were percelled out during the traditional negotiating dog-fight in Jsouary 1981, Mr O'Kennedy did not seem to know what he wanted and as a result secured two-thirds of very little. He was put in charge of the personnel portfolio which, though important to the working of the Commission, is politically trivial on its own.

As a fig-leaf. President Gaston Thorn made him his special assistant dealing with the so-called mendate—the pro-posals for developing new policies and reforming agriculture and the hudget. This did virtusly nothing for the Irish-man's political profile since the President would not sad could not surrender his own central role on the mandate.

But even if Mr O'Kennedy had fought harder on that January night his embarrassment would only have been saved at the expense of some-one else. In normal times there are oot enough good jobs. to go sround a 14-man Commission. But the difficulty was compounded this time becsuse M Thorn allowed his Belgian colleague Etienne Davignon to pull two plums out of the

eleverest and most able men in the Commission. Once he had decided what he wanted, the President felt unable to demur.

The question is whether Mr O'Kennedy's successor should also be a victim of these circumstances. Irish pride decrees that this should not be so and the next Irish Prime Minister, whoever he is, is likely to spell this our in words of one syllable to M Thorn. Indeed, if the employment prospects are not better the Irish spects are not better, the Irish Prime Minister might have his In the recent election.

Mr O'Kennedy must have man of quality to come to thirsted for that political victory because be enjoyed precious

Work cut out persuading any man of quality to come to the first to the fir

energy portfolio? Some penple helieve so, both for the sake of the development of the Community's energy policy and, perhaps, M Davignon's reputation for skill and effectiveness. The hurden of the two portfolios is immense.

M Davignon has handled both

with all the skill and expertise that might have been expected. But increasingly, he gives the impression of a juggler with perhaps one too many balls in the air. His steel strategy suffered s major setback when U.S. companies filed their antidumping complaints after he had sppeared to have sewn up political understanding with the U.S. Administration.

Hia impact on the energy dossier is sporadic and therefore, rather less effective than if it had his full-time stteption. a Press conference to unveil huge psckages of proposals which seem to lack priorities and freshness.

The argument is finely halanced. A Davignon firing on two cylinders is in many people's estimation immensely more effective than many another Commissioner firing on all four. Much depends on whom the Irish send to Brussels. He will need to be dynamic. politically astute and able quickly to command the respect of his colleagues on the Commission. A lesser man will have no chance of wrestling energy from the Davignon

Letters to the Editor

The costs and benefits of zero-leaded petrol

octane unleaded petrol could cost another 15p per gallon. I believe here are cheaper ways to produce such a petrol.

Plans to construct a methyl tertiary butyl ether (MTBE, unleaded octane improver) plant al Nigg Bay, Scotlánd, were announced last October. The capacity is stated to be 500.000 tonnes/year and the capital cost around £90m. In order to restore the oclane value of petrol resulting from a lead reduction from 0.15 grams per litre (the legislated 1985 value) to zero, about 10 per cent (by volume) of MTBE would have to be added to petrol. At the present UK consumption of petrol, roughly im tonnes per year of MTBE would ne regulred or two plants of the Nigg Bay capacity costing This is very different from the £600m to £800m quoted hy the oil companies.

The feedstock for this type of plant is the butane fraction of natural gas liquids, obtained from the North Sea or other natural gas operations. Using this as a feedstock to produce MTBE does not, of course, require extra quantities of crude oil would be required if high notane unleaded petrol is produced by refinery operations.

The cost of MTBE produced from natural gas liquids is

from natural gas liquids is many of our children ... some about 80p per gallon and when hundreds of thousands are

M. J. Pettman, 11, Rose Walk, Surbiton,

From the Choirmon, Compaign for Lead-free Air Sir.—Sue Cameron (Fehruary 241 does a service to emphasise that the facts on pollution caused by lead in petrol are
"either shrouded in secrecy
or treated in a cavalier
fashion" and that "many of the parties concerned had tilterior motives connected with elther profits or politics." CLEAR's only concern and that of the ten national organi-sations, the 170 MPs, the many doctors and scientists and members of the public who support it. is with the welfsre of our children.

The British Medical Journal is quoted as saying that the position on this issue should be based on "reliable scientific evidence, not emotinnal propa-ganda." While people may well respond in an emotional way to the evidence, and with some justification, the evidence itself is scientifically based. It was this evidence that led the nation's chief medical officer nf health to write tn senior Whitehall colleagues there is a strong likelthood that lead in petrol is permanently reducing the IQ of

From Mr M. Pertmini.

Sir.—Your report of February 23 quotes UK oil companies as stating that to produce high 24 per gallon.

added to petrol at the 10 per affected...that new evidence is accumulating all the time—and it always points in the same direction as the existing evidence, so that the health case hecomes steadily stronger and

Sue Cameron refers to other sources of lead pollution but fails to emphasise that 90 per ceni of all airborne lead comes from car exhausts, and that airhorne lead infiltrates food and water and has s major impact on those sources of lead pollu-

lf all the exaggerations of costs and difficulties, and all amoral decrying of the aside, the following are the key points in the debate: Lead is neurotoxin and is pumped into the atmosphere in vast quantities from car exhausts and is putting hundreds of thousands of children at risk. Other countries have sbown that lead-free petrol can be introduced over a reasonable time scale. Lead-free petrol is inevitable in Britain. The three major opposition parties will. by the end of this party conference season, have committed The health evidence is ever-increasing and damning. Thus makes contomic as well as public health sense for the industries to acknowledge

reality now. Des Wilson. The Campaign for

For sale by tender

From Mr M. Benley
Sir,—Now the initial furore
over American International dled down it may be thus to discuss in public the pros and cons of various issuing merbods.

Certainly as a tax payer I would like the issue resolved before the issue of Britoil expected in May this year. The loss to the public of a premium similar to that expected for Amersham will he approxi-

mately £400m.

The silcking points between tender and fixed price offers for sale sppear to centre around: (a) an equitable split hetween the greed of jobbers on the one hand and vendors on the other. When vendor is the taxpayer the loss by fixed price is a little more embarrassing for the City: (b) the desire of the Government to distribute shares to as many people as possible with a preference towards the smaller investor." In fact, all it provides is extra profits for printers of prospectuses and quality newspapers as the "small investor" and professional speculator compele in the game for all ages. "mul-tiple applicator." The actual dealing profit on an overall basis is not that large when so much money is tied up for one to two weeks.

I am sure the institutions involved can refine the following system to suit alt parties fairly. This involves an offer for sale by fixed tender and is not as "fixed" as it sounds. The offer is split into two parts and are offered for sale by fixed

price and one by lender.

The fixed portion can: be limited in size, prohably being hy far the smaller of the two parts: limit applications to a maximum number of shares. thus encouraging the playing multiple applicator reasonable dealing profil for the jobbers: and will, spread shares widely by favouring small investor; he similar to administering the employee reserved schemes in current

The tender portion can, he far the largest portion thereby achieving the best prire for the vendor; and allow the institutions to achieve the size of holding they desire. The only objections may be

the mechanics of operating it, and determining a market price on the first day of dealings. I think it is not beyond the issuing houses' ability to overcome the first, or the jobbers to decide on the latter, given usual application date. M. D. Bealey.

12 Broywick Court, Queens Road, Kingston Hill, Kingston-on-Thames, Surrey.

SUN HUNG KAI FINANCE CO., LTD.

ANNOUNCEMENT

Sun Hung Kai Finance Company, Limited is pleased to announce that the Governor in Council has approved its application for a banking licence. Consequently, the Company has initiated procedures to change its name to

"SUN HUNG KAI BANK LIMITED

and will commence full banking services as soon as practicable.

The official opening ceremony of the Bank will coincide with the inauguration in early autumn 1982 of the Sun Hung Kai Bank Building in the Central District.

The Company's registered deposit-taking subsidiary will continue to offer non-banking financial services.

On this special occasion, the Company wishes to express its appreciation to friends, clients, and shareholders for their continual support.

February 22, 1982

Money supply targets

From Professor W. Godley Sir.—Mr Samuel Britian

(February 181 now describes, contemptuously, ss uncomprehending monetarists ... "those Treasury Ministers and officials tsome of the latter being the same people) who have turned down the idea of resteting the Government's financial strategy in terms of what always should have been its ultimate goal." Later in the same article he adds Those politicians who accepted money supply targets, but baulked at the idea of a money GDP (or national cash limit), reveat that they never really thought through why they favoured controlling money supply in the first place. Nor is it any belp to emphasise the public sector borrowing requirement, to which emphasis has switched. Unless justified in terms of some more final objective. a PSBR target hecomes the mumbo jumbo that the 'wets' accuse it of being." the 'wets' accuse W of being.
Mr Britan seems to have forgoiten his own advocacy of

money supply targets while the "monetarist counterrevolution" was taking place as well as his rapturous response to the original medium term financial strategy. In an article in the FT on Msrch 27 1980, called "A coherent Budgel at

last" his observation was that "For the economic observer, it is a very exciting Budget indeed. At long last, decisions have been made in a coberent framework . . . [and] there is a strategy for those elements which Governments can Governments influence. I regard Mr Brittan's proposal that money GNP targets should now he adopted as dangerous

in the extreme. Moreover, when he claims that Professor James Meade considers this to he the most sensible objective to pursue he insufficiently emphasises the conditionality of Professor Meade's support for adopting a target for money GNP. Pro-fessor Meade's view, with which I eotirely agree, is that unless the institutiona through which money wages are determined are radically and effectively reformed the adoption of such targets could he "catastrophic."

, which is $-\infty$, which is $-\infty$, which is 0.000 .

Wynoe Godley (Professor). University of Cambridge.

Lead-free Air. 2. Northdown Street, N1.

Sidgwick Arenue, Cambridge. Samuel Brittan writes: There is nothing to forget. Three weeks before the MTFS was published t wrote on March 6 1980, in Economic Viewpoint: "The right thing to do is to explain in prose that the Government's real commitment is to limit the flow of money through the economy (in technical terms the nominal national products. The 'Sterline M3' targets are simply a means; and may need to be supplemented or tightened. To spell this out properly would not be to weaken monetary policy hus to reinforce it. . . ." I thought I reinforce it. . . . " I thought I made it crystal clear in the article about which Mr Godley writes that Professor Meade's advocacy of a Money GDP target was (like Arthur Okun's) "conditional on parallel policies "conditional on paratlel policies to curb wage increases." Economic Viewpoint of January 21 was devoted to a detailed dis-

FINAL QUARTER pre-tax profits of Imperial Chemical Industries at £11-im were "significantly better" than the previous quar-ter's £86m and raised the total for 1981 to £335m, compared with £284m for 1980.

However, the directors point out that the underlying trend is not as satisfactory as the figures suggest since some £20m of tha improvement represented ourrency gains on the settlement of export debis which arose from sales in earlier quarters.

They add that there is considerable uncertainly over economic prospects for the re-mainder of 1982 in all major markets and that there is no firm evidence yet of a sustained improvement in demand

Nonetheless, a second interim dividend of 10p (5p) raises the net total by 2p to 19p per £1 overseas markets contrasted with share—staled earnings per £1 a 3 per cent reduction in the shere were well ahead at 32.3p. UK.

largest industrial organisations in the world, reached £6.5Son (£5.72bn) for the year, of which chemicals contributed £5.75bn. an increase of £610m, and oil £831m, a rise uf £256m—or some

HIGHLIGHTS

The Lex column considers the full year figures from ICI where profits are up from £284m to £335m. However demand is very flat and the advances the company is making are thanks to cost elimination. Lex then moves on to the third quarter figures from Plessey where cash continues to flow in and productivity is still improving. Rowntree Mackintosh published its full offer document for Huntley and Palmer yesterday and reported a sharp increase in 1981 profits to £40.2m. Finally the column lingers on the bids scene where RTZ is sewing up its move into the cement industry with an agreed offer for the Tunnel sbares it does not already own.

comprised a volume improve- (£291m), pro6ts less losses from ment of 2 per cent, an increase trade investments of in prices of 7 per cent and a (£62m) and interest and 3 per cent advance in overseas sales owing to currency changes. Volume growth of 5 per cent in

Group sales in the fourth Sales of the group, one of the quarter were £1.83bn (£1.44bn), trgest industrial organisations comprising chemicals £1.57bn, a the world, reached £6.58bn 6 per cent improvement over the casonally low third quarter, and oil £263m (£174m).
Group trading profits for the year expanded to £425m (£332m). The pre-tax figure was

(£62m) and interest and financing costs less income which came through as a debit of was lower at £111m and after minority Тэх

debits of £32m (£31m) and extra-ordinary debits well down at for thary debits well down at £6m, compared with £150m, there was an attributable profit of £186m, against a loss of £20m, from which dividend payments absorb £113m (£101m).

CCA adjustments reduce the pre-tax profit for the year to £34m (£73m).

Commenting on the results

the directors say the continuing sales and trading profits for the difficult trading conditions in year shows: agriculture £1.25bn (£1.07bn) and £182m (£151m); fibres £444m (£432m) and £36m world markets particularly in the UK, permitted only a miotmal improvement in proft loss (£86m loss) general chemi-margins despite significant sav-cals £1,23bn (£1.14bn) and £75m ings on fixed costs. (£99m); industrial explosives £258m (£210m) and £35m

They add that although margins recovered from the abnormally low levels reached in the second half of 1980, they nevertheless remained unsatisfactory and substantially below those achieved in earlier years. The pattern of profitability remained largely unchanged. Profits in the agriculture, pharmaceuticals and industrial explosive sectors advanced, but profits from oil were lower as a result of the imposition of supplementary petroleum duty. The petrochemicals and plastics, organics and fibres businesses continued to make significant losses, but these were substantially lower than in 1980. On a territorial basis there was a marked improvement in UK

profits as exports returned to profitability (f.o.b. chemical exports rose to £1.3bn, compared with £1.12bn, and oil exports to £153m, against £57m) and also in profits in North Africa.

A divisional breakdown of

(£137m); Continental Western Europe £1.02bn (£924m) and £13m loss (nll); The Americas £1.08bo (£825m) and £63m

(£85m); Indian sub-continent £140m (£96m) and £10m (£6m); nther countries £99m (£87m) and (£7m), Inter-territorial £4m etiminations were £908m (£728m) resulting in a loss of £4m (£8m profit).

The authorisation of expendi-ture on fixed assets was again restrained in response to lower forecast demand for chemicals, the directors say. Actual capital expenditure in 1981 fell sharply ruse of actions taken in 1979 and 1980.

territorial analysis amounts authorised and spent was-UK £71m (£176m), Continental Western Europe £25m (£45m), The Americas £164m (£61m) and other countries £67m (£42m). Expenditure showed UK £168m (£390m), Continental Western Europe £39m (£148m), The Americas £118m (£117m) and other countries £86m (£69m). The otal authorised but unspent at year-end totalled £381m (£465m). In addition to the expenditure on fixed assets other new investments in 1981 amounted to £37m, compared amounted to with £48m in 1980.

The average number of people employed in the group in 1981 was 132,400 (143,200)

(£44m); Australasia and the Far East £939m (£802m) and £94m Amber Day hit by cost of

closure at six months £616,000 taxable profits at Amber Day Holdings, clothing manu-facturer and retailer, fell from £169,000 to £116,000, on turnover of £30.21m, against £15.02m, axcluding pre-acquisition items.

(£19m): oil £1.05bn (£770m) and £83m (£97m) after provision for PRT and supplementary petro-

learn duty of £127m (£61m);

organic and speciality chemicals £573m (£520m) and £30m (£54m

loss); paint and decorative pro-ducts 2455m (£449m) and £27m

(same); petrochemicals and plastics £1.75bn (£1.59bn) and

£54m loss (£79m loss); pharmaceutices £407m (£346m) and

£90m (£66m); and miscellaneous £118m (£90m) and nil (£8m). Inter-class aliminations totalled

£953m (£904m) resulting in a loss of £2m (£19m profit).

Royalty income amounted to £32m (£24m) and Government

A territorial analysis of sales and tracing profits shows: UK £4.22bn (£3.71bn) and £216m

grants £23m (£21m).

The interim dividend for the has been passed, after a previous payment of 0.9p. dividend due on the cumulative redemption preference sbares on April 30 has been passed — it was also passed at the previous

The directors state that while losses in the ladieswear retail division have confined in the second balf, they will not subsequently recur, and prospects for the group give grounds for cautious optimism.

Trading results reflect a substantial improvement in the performance of the outerwear division, say the directors, as well as satisfactory performances by other divisions. Results of the ongoing group show an improvement in trading profit to £761,000 compared with £169,000 for the first six months of last

The directors say that this is in line with previous expecta-tions of recovery. In the last full year a pre-tax result showed a deficit of £290,000 (profits £643,000) on turnover of £40m (£30.2m). There was no final dividend. The directors stated that action taken in outerwear manufacturing and ladieswear retail divisions would be of

cessation losses of ties of £105.000 (£45.000), Extraordinary losses relate mainly to redundancies and compensations for loss of office.

Earnings per ordinary 20p shara were stated as 0.07p (0.12p).

comment How timely was Amber Day's acquisition of Rosgill. A year ago Amber picked up 83 per cent of Rosgill, the Pippa Dee and Dee Minor party plan business, for £2.38m. It chipped in £550,000 to these profits and should top £1m for the year-effectively covering Amber's rapid, but expensive, retreat from ladieswear retailing. Trading losses at ladieswear have escalated from £364,000 last year to £661,000 this half with perhaps another £400,000 to come before the year is out. How timely was Amber Day's to come before the year is out. Twenty one out of 25 shops have been closed and the others are on their way. Amber has been more successful in tackling its ailing outerwear division. From losses of nearly £750,000 in the previous six months outerwest has notched up a £100,000 profit thanks to a management sbake-out and change of emphasis to casual clothing. The second half is the seasonally weaker period and by the year end Amber will probably be bovering somewhere around break-even. Without the burden of ladieswear losses recovery should come through in 1932with a mountain of debt. In the last accounts shareholders' funds, ex-goodwill, of 14.26m were supporting net debt retail divisions would be of importance in restoring the group's position.

There was an attributable loss of £111,000, compared with extraordinary debits of £27,000, after extraordinary debits of £122,000 will extraordinary debits of £122,000 with extraordinary debits for minori
There was an attributable loss of £111,000, compared with extraordinary debits of £27,000, after extraordinary debits of £122,000 will extraordinary debits of £122,000 will extraordinary debits of £122,000 will extraordinary debits for minori
There was an attributable loss of £111,000, compared with extraordinary debits of £27,000, after extraordinary debits of £122,000 will extraordinary d

Ratcliffs returns to profit

profits of £857,200 pre-tax from losses of £162,400 for Ratcliffs (Great Bridge) during 1981. The final net dividend per 25p share, bas been raised from 0.75p to 1.25p making a total of 2p (1.5p). Stated earnings per 2p (1.5p). Stated earnings per sbare were 36.06p (nil) per share after tax release, and 16.74p (2.95p loss) before tax release. There was release of deferred tax of £904,000 (nil).

The company manufacturers brass and copper rolled strip After tax, profits were £826,200 (£95,100 loss), tax taking £31,000 this time against a credit of

The CCA loss after tax was £1.28m against £1.73m last time.

Rateliffs' film turnround into profitability is chiefly doe to the

comment

performance of the UK side, which made a profit of £85,000 as against a loss of £654,000 (including redundancy costs of £300,000) in 1980. Last year's experimental partial loss of £554,000 ceptional matal loss of £154,000 was not repeated thanks to tha stabilisation of the coppar price. Costs were further reduced by last year's rationalisation, but selling prices have held up, rather than advanced. The Canadian subsidiary, last year's saviour, returned pre-tax profits up 46 per cent to £943,000, with mneb of the improvement coming from a more favourable conversion rate. The depressed state of the U.S. automotive industry bas led to stickier trading since the year end. With cash in the bank, and no borrowings Ratcliffs bas gone half way towards restoring the cut in last year's final dividend. Yesterday the share price gained 3p to close at 75p, yielding a rather unattractive 3.9 per cent

Jebsens betters forecast

Jebsens Drilling, sea. operator, reports attributable profits of £5.45m for 1981, compared with the forecast \$4.6m at the free of its share placing last year. The expected 10p dividend has been declared for

the 12 months.

Attributable profits for 1980 totalled £545,000. However, the 1981 result includes the 67.5 per cent interest in PacNorse Drill-Corporation acquired in

Turnover for 1981 rose from £13.47m to £30.76m and operating profits before tax from £3.98m to £11.12m. In his review, Mr Atle Jebsen, chairman, points out that an exchange gain of £3.2m was

to be in lina with those in the placing memorandum for 1982.

TOSHIBA CORPORATION SHIBAURA ELECTRIC CO., LTD.)

NOTICE TO HOLDERS OF

63% CONVERTIBLE BONDS DUE 1990 NOTICE OF REDEMPTION AND TERMINATION OF CONVERSION RIGHTS

CONVERSION RIGHTS

NOTIGE IS HEREBY GIVEN to the holders of the 64% Convertible Bonds Due 1990 (the Bonds ') of Roshiba Corporation (formerly Tokyo Shibaira Electric Co., Ltd.), a Japanese Corporation (the "Company that pursuant in Condition 68b of the Bonds issued under the Trust Deed, dated as of July 30, 1975, between the Company and The Bank of Tokyo Trust Company as Trustee (the "Trustee") the Company as Trustee (the "Trustee") the Company as Trustee (the "Trustee") the Company as Trustee (the Bonds will be accordance with such Condition 68b.

The price at which the Bonds will be redeemed will be 103.55 of the principal amount. In addition, the Company will pay interest accruing from April 1, 1982 through April 15, 1982. The payment of the redeemption price will be made on and after April 16, 1982 upon presentation and surrender of the Bonds together with all compons appartaining thereto maturing after April 15, 1982 at any of the following principal effices of the Paying Agents:

The Bank of Tokyo Trust Company

The Bank of Tokyo Trust Company

(Beruti)
The Commercial Bank of Kuwait
S.A.K. (Kuwait)
Union Bank of Switzerland (Zorich)
Banque Generale do Luxembourg

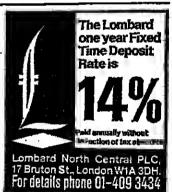
THE COMPANY WILL TERMINATE AT THE CLOSE OF BUSINESS ON APRIL IS, 1982.

The Bondholders' attention is called to the fact that is accordance with Condition 5 of the Bonds they may convert their Bonds late shares of common stock of the Company at the conversion price (with the Bonds taken at their principal amount translated into Japanese yen at the rate of Yen 295.80 equals U.S. Dollar 1) of Yen 124.90 per share. Each Bondholder who wishes to convert his Bonds must deposit his Bonds, together with all unmatured. compons, with any of the offices of Arab Finance Corporation S.A.L. (Beirut) and Basque Generale du Luxembourg and (Luxembourg as the Conversion Agents before the close of business on April 15, 1982, accompanied by a written notice to covert the form of which notice is available from any of the said Conversion Agents. For the information of the Bondholders, the reported closing prices of the shares of common stock of the Company on the Tokyo Stock Exchange during the period from December 16, 1981 to February 16, 1982 ranged from a high of Yen 295 to a low of Yen 356 per share. The reported closing price of such shares on the Tokyo Stock Exchange on February 16, 1982 was Yen 378 per share.

TOSHIBA CORPORATION

TOSHIBA CORPORATION
By: The Bank of Tokyo Trust Company

Dated; February 26, 1982



Rowntree expands 28% to £40.2m

bolstered its contested £75m manufacturer. Huntley and hution by 10.3 per cent to 6p Palmer Foods, with a strong, if still incomplete, profits recovery \$1.nominal of 11 per cent loan

Profits before lax rose by 28 per cent to £40.2m after interest charges of £9.3m against £14,9m. The contribution from associates the 23.8 per cent holding in Huntley—is estimated to have been maintained at £t.Sm. After a heavier tax charge, earnings per share have risen by 1.3p per share to 21.6p per share,

per share net final dividend which would lift the total districach £1 in cash Huntley shareholders would be entitled to

The bidder describes its Irading performance as "encourhusiness has benefited from a continued policy of cost reduction. Industry tonnages were

Date Corre- Total of sponding for

DIVIDENDS ANNOUNCED

April 2

April 2

*Equivalent after allowing for scrip Issue. †On capital Increased by rights and/or ocquisition issues. ‡Special payment.

Current

.....int.

British Assels Trust 1.15

Crossfriar Tst. 4.**

DRG (SA) 4.**
Footwear Indsty Inv. int. 1.54
ICI sec. int. 10
Nesco Inv. 2nd int. 3.5
Ntw Darico Oli Tst. 0.85†
3.54

Plessey 3,54
Ratellifis (Great Bridge) 1,25
Rights & Issues Inv. 28

in an increasingly competitive market led to a 1 per cent fall in market sbare and Rowntree's notes 1987 as an alternative to domestic volume slipped by each £1 in cash Huntley share between 5 and 6 per cent. The board, beaded by Mr Kenneth Dixon, stressed once again that the development of

Rowntree's brands in Continental Europe must still be seen as a long-term project. "There is no other way of building a presence in Europe," be said,

Export margins were compressed by the rise in sterling parities during the year and sales valua dropped by some 15 per cent. In the formal offer document

for the bld, which reaches its first closing date on March 18, Rowntree says it can realise the full polential of Huntley's biscuit and snack food busi-nesses by: "increasing substanthe level of investment; product development outside the UK; and "contributing marketing resources based on Rowntree's successful manage-ment of confectionery brands." Rowntree also points to the strong balance sheet which would be enjoyed by the

enlarged group. On a pro-forma basis the enlarged group would have

Rowntree took in pushing prices Rowntree expects to lift its own up at the beginning of the year capital spending by about a in an increasingly competitive third to over £40m this year and would normally commit about 5 per cent of turnover—£688m in 1981-to capital projects. Mr Dixon also confirmed that Rowntree had been close to a major U.S. acquisition last year which, had it succeeded, would have "postponed" tha offer for Huntley. Rowntree did not anticipate

significant earnings dilution if the bid for Huntley succeeded. Huntley was studying the former offer yesterday and did not expect to reply for "another week or 10 days." Mr Hugh Brown, the finance director, said the results for 1981 are still

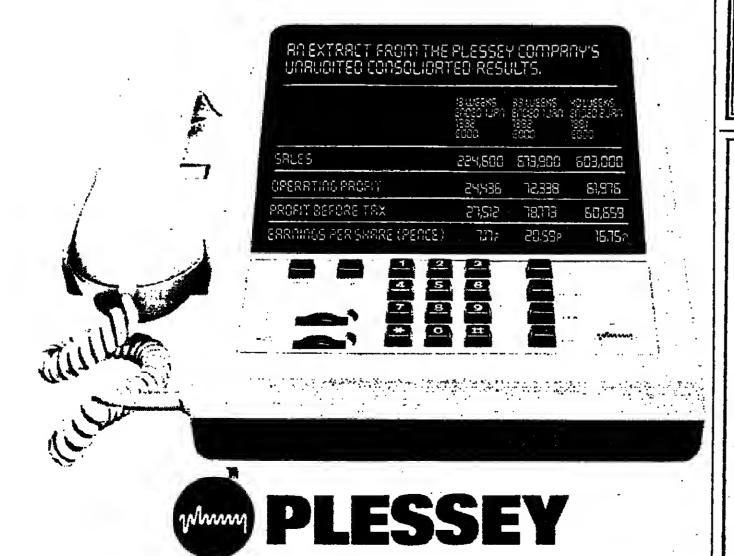
being audited.
Huntley, he said, had been
informed that Allied-Lyons bad
sold some if not all of its undisclosed holding in the biscuit group earlier this week. Shares in Rowntrea dropped 2p to 164p yesterday giving each Huntley share a value of just under 105p. Huntley's share price fell 1p yesterday to 105p.

Assuming full implementation of the offer, and no further employee share uptions are graced by Huntley, Rowntree will issue a maximum of 19.24m new ordinary sbares for which it is seeking charebolders approval at an extraordinary meeting on March 18.

Forecast final of 0.15p. 1First quarter payment, "Rate for the enlarged group would have year forecast not less than 4.4p. "South Africa cenis throughout, shown shareholders' funds of Plessey continues excellent performance

NINE MONTHS' RESULTS

- Group sales up 14.6% to £673.9 million
- Pre-tax profits up 29.9% to £78.8 million
- Earnings per share up 22.9%
- Exports up 31.5%



The Plessey Company plc, Vicarage Lane, Ilford Essex IG1 4AQ.

Hill Samuel **Base Rate**

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THE TRING HALL USM INDEX 116.7 (--0.2) close of business 25/2/82 BASE DATE 10/11/80 100 Tel: 01-639 1207

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Tesco's trading is 'satisfactory'

requirements which to date have

SATISFACTORY TRADING was recorded by Teseo Stores (Holdings) during the Christmas period, in spite of a slow build-up aggravated by the ahnormal weather, says Mr Leslie Porter, chairman, in his interim statement to shareholders.

Mr Porter adds that the group has been left with minimal stock levels. Trading in the first few weeks of January was affected by the severe weather conditions particularly in the West Country and Wales.

Twelve new stores are scheduled to open in 1982/83, which together with extensions, will add approximately 460,000 group pre-tax profits for the 24 tensions.

scheduled to open in 1982/83, which together with extensions, will add approximately 460,000 group pre-tax profits for the 24 sq ft to selling area, says Mr Porter.

Group borrowings will benefit from the sales of investment land and properties surplus to produirements which to date have

marginally by 0.1p to 1.1p per 5p share.

Hill and Smith predicts current year improvement

IN HIS annual statement met reorganisation, redundancy and Denis Hodgetts, the chairman of reorganisation, redundancy and Hill and Smith, predicts that closures may become necessary to ensure a reasonable return on the first half of the profits in the first half of the current year will be "appreciably better" than those of the corresponding period last year and subject to present will show a "significant improve-

He points out, however, that it would be nurealistic to expect the figures to reach the record 1980 level until there are more positive signs of a recovery in the economy generally.

Mr Hodgetts says trading in the steel stockholding division, which returned to profit io the final quarter of 1980-81, con-tinnes to improve and that satisfactory profits were earned in the first quarter of the current year. The division is expected to make a "healthy" profit contribution for the full year.

Demand in the forging sector is at a "very decressed level" is at a very decressed level although the small improvement which started at the eod of last year has been majotained. The chairman says the division bas to meet high energy costs and that the substantial increases in nil and electricity charges in-curred last year bave not heen fully recovered in selling prices.

The reorganisation already implemented is expected to allow the division to continue in small profit but Mr Hodgetts warns that unless a more substantial ing following the annual meet improvement in demand arises at Birmingham, on March 28.

New Darien first year ends

THE FIRST year for the New Darien Oil Trust has coded with after tax reveous of £115.854 for the period from December 3 1980

the funds raised in February 1981. The significant level of liquidity at a time of high interest rates has produced substantially greater income than may be expected in future years.

they say. The directors stress that the special dividend arises from exceptional circumstances and should not be regarded as setting a precedent for payments in future years. The final dividend

absorb £85,000, and the proposed final £15,000.

Net assets were shown at £8.32m. Net asset value per share emerged at 53.2p. Adjusted for exercise of in full of rights attached to warrants, net asset value amounted to \$4.7p.

gale & Co. Lib

After satisfactory trading in October and November severe weather in December and trends continuing, he says he is January affected performence of confident that full year profits the fabrication division. Birtley tha fabrication division, Birtley Manufacturing, acquired last year, is expected to benefit in the second half from its reorganisation and a first "proper" contribution to profits is confidently anticipated. Overall, the division is expected to receive the contribution of the contribut to maintain its contribution to

The chairman says the group has ample funds to support further acquisitions and that advantage will continue to he taken of any suitable opportunities that arise.
As reported oo January 29

group pre-lax profits for the year to September 30 1981 dropped from £1.13m to £411,592, reflecting the severity of the re-cession in the steel stockholding and drop forging divisions.

The coosolidated halance

sheet at vear-cod shows fixed assets at £4.26m (£3.71m) and current assets at £10.11m (£11.02m), tocluding stocks and work in progress £4.6m (£6.12m). Current liabilities totalled

£5.39m (£5.87m). The directors are proposing to change the nama of the com-pany to Hill and Smith Holdings at an extraordinary general meeting following the annual meeting

U. U. Textiles shows £29,400 deficit midway

A COMBINATION of tight margins and short customer lead times was helind taxable losses shown by U. U. Textiles for the to January 31 1982. A special dividend has been declared of 0.85p and a final dividend proposed of 0.15p.

During the Trust's first year the directors have adopted a policy of gradual investment of the finds record in February.

stated, suppliers were unable to deliver according to schedule, which impaired factory efficiency. However, they add that since September the group has heen trading profitably, and they are confident that pre-tax profits will he earned in the second half which should eradicate the

No dividend has been paid (same). The last payment was 0.2187p net per 10p share for

is expected to set the pattern for future annual payments.
Total income from investments amounted to £382.693. Taxation took £125.757. Earnings per share were stated at 1.16p.
The special dividend will absorb £85.000, and the proposed final £15.000.

The special dividend will absorb £85.000, and the proposed final £15.000. (same)

Attributable losses amounted to £42,700 (£4,500) after a lower extraordinary debit of £13,300 (£28,700). The loss per share was given as 1.28p 11.05p earnings).

Co-op Bank Group announces a change in base rate

From 14.00% to 13.50% p.a. On and after Friday, 26th February 1982

> Deposit Rates will become: 7 day deposits 11.00% p.a. 1 month deposits11.25% p.a.

Short-term deposits from 12.00% to 13.60% p.a.

depending on amount & term (minimum £500 & 6 months)

First Co-operative Finance Limited Cheque & Save current notional interest rate is 10%

Marginal downturn at Eleco

ANNOUNCING the first helf results of Eleco Holdings, the chairman Mr Frank Webster says they must give rise to a certain amount of satisfaction in these difficult times. The group has sustained its taxable profit within 5 per cent of the corresponding period of 1980—1734,000 against 2773,000—despite a substantial drop in turnover from £10.37m to from £10.37m to

This reflects in no small measure the policy of the last few years to create an investment income alongside trading. ment income alongside trading. Net rents and interest accounted for £352,000 (£288,000) of the profit. This situation will continue with a steadily rising rental income partly io lieu of interest, hut he looks forward to the time when profits will play a more positive role in the results and enable them to resume their former role.

sults and enable them to resume their former role.

The interim dividend is being maintained at 1p per share. Total for the year, ended June 30 1981, was 3.4p net from pre-tax profits of £1.67m, to which net rent and interest contributed £596,000.

Footwear Industry higher midterm

TAXABLE profits of Footwear arm in Wales, increased production substantially over the same £255,000 to £305,000 for the six months ended November 1981. External sales, however, fell from £5.79m to £4.06m. The comparable profit figure included \$29,247 received from the dis-

posal of shares in an associate. A net interim dividend of 1.54p per 25p share is being maintained — last year a final of 3.5p was paid out of pre-tax profits of £484.719. Half-year stated earnings per share rose from 3.2p to 4.2p.

The company manufactures and distributes footwear and supplies raw materials and com-

ponents te footwear mannfacturers.
Mr Sumray says the reduction in turnover was as anticipated due to lower sales by merchant-ing companies. Fiona Footwear.

the company's manufacturing rationalisation

tion substantially over the same period of 1980. Bad weather, however, prevented factories from operating for six working days in Wales, although they are making good the lost production.

To meet rising demand, a further factory unit has been acquired adjacent to factories to Bridgend. This is coming on Bridgend.

The chairman says cash holances at the half-year stood at a record level of nearly £2m. Mr M. Sumray, chairman, and
Mrs Sumray are waiving most of
their entitlement on 1.2m shares
which reduces the cost to the
company hy over £18,000 to
£44,000.

At a record level of nearly 22m.
The manufacturing company has
nooths. While merchanting
activities have been slow, he
says, the hoard hopes there will
he an upturn before long. Six months' tax took £137,000 against £126,000 and attributable

profits rose from £129,000 to £146,000. There was an axtraordinary debit of £22,000 (nil) which Mr Sumray says represents net costs (less tax) of premises which have remained vacant following

Westwood **Dawes** £0.17m loss

AS PREDICTED at midyear, Weslwood Dawes and Company finished the 12 months to end-December 1981 well in the red. the pre-tax deficit emerging at £166,893, compared with a surplus of just £91.

LOWER pre-tax profits of £1.22m, acres of land for residential compared with £1.58m, are development in Kent which the reported by property developer directors say is a prime sile of ward Holdings for the year key importance. Although it is ended October 31, 1981, although the paying a significant effect on the

However, the group, a struc-tural and mechanical handling engineer, had a better second half compared with the first six months — taxable losses for the period were reduced from the first half's £158,968, which included a dehit of £37,842 for redundancies, to £7,925.

Full year redundancy totalled 538,048 1£46,688).

After tax credits of £84.080, against £14,136, the loss came through at £82,813 (£14.227 profit), equal to a loss per 25p share of 6.57p (1.13p earnings). There is again no dividend—the last payment was a final of 1.5p nef, which made a total of 2.5p for 1929 2.5p for 1979.

On a CCA basis the pre-tax loss was £248,866 [£121,048].

Ward Hldgs. slips to £1.2m fulltime but pays same again

compared with £1.55m, are reported by property developer Ward Holdings for the year ended October 31, 1981, although turnover for the period edged up from £12.81m to £12.91m.

After six months taxable profits had fallen to £310,000 (£813,000) and in their interim report the directors warned that the difficult market conditions had not eased and that these affecting the present were results.

Full year stated earnings per share emerged well down at 12.4p (16.8p) but a same-again final dividend of 3.01p maintains the net total at 4.2p per 10p share.

Tax took £136,000 (£125,000) and after minority credits last time of £4,000 the attributable halance came through at £1.09m. against £1.46m. The group has now completed the purchase of an area of 120

key importance. Although it is having a significant effect on the company's borrowing require-ment, it will prove an important acquisition, they add.

It is pointed out that at the present time there is a surfeir of second hand properly on the market which is affecting the volume of new housing and the margins obtained. The directors say it is difficult to predict the timing of a positive recovery in the housing market.

The manufacturing operation is now making a satisfactory contribution.

AGRICULTURAL

The Agricultural Meritage Corporation is issuing \$2n, of 14 per cent boods dated March 4 1983 at par.

Cl in 1981

The Board of Directors of Imperial Chemical Industries PLC announce the following trading results of the Group for the year 1981, subject to completion of the audit, with comparative figures for 1980.

Trading Results Year 1981

	1981 £millions	· 1980 £millions
Sales to External Customers		
Chemicals :		
United Kingdom	1899	1881
Overseas	3851	3259
	5750	5140
Oil	831	575
Total	6581	5715
Trading Profit	425	332
After providing for Depreciation	348	291
Profits less losses from trade investments	52	62
Interest and financing costs less income	-142	-110
Profit before taxation	335	284
Taxation	-111	-123
Profit after taxation	224	161
Attributable to minorities	-32	-31
Profit attributable to parent company before extraordinary items	192	130
Extraordinary items	· — 6	-150
Profit (loss) attributable to parent company after extraordinary items	186	-20
Dividends	-113	101
Profit (loss) retained for the year	73	-121
Earnings before extraordinary items per £1 Ordinary stock	· 32.3р	22.1p.
Dividends per £1 Ordinary stock	19.0p	17.0p.
Profit before loan interest and taxation, as a percentage of average assets employed	9.4%	8.6%

Group chemical sales for the year were £5750m, an increase of £610m (12%), of which £18m (1% increase) was in the UK and £592m (18% increase) was overseas. Oil sales increased by £256m (45%) to £831m. The increase in chemical sales comprised a volume improvement of 2%, an increase in prices of 7% and a 3% improvement in overseas sales due to currency changes. Volume growth of 5% in overseas markets contrasted with a 3% reduction in the UK.

The Lo.b. value of chemical exports from the UK was £1300m compared with £1116m in 1980, the primarily to a 13% increase in volume. Oil exports increased from £57m to£153m.

The continuing difficult trading conditions in world markets, particularly in the UK, permitted only a minimal improvement in profit margins despite significant savings on fixed costs. Although margins recovered from the abnormally low levels reached in the second half of 1980, they nevertheless remained unsatisfactory and substantially below those achieved in earlier years.

The pattern of profitability has remained largely unchanged. Profits in the agriculture, pharamaceuticals and industrial explosives sectors advanced, but profits from oil were lower as a result of the imposition of supplementary petroleum duty. The petrochemicals and plastics, organics and fibres businesses continued to make significant losses, but these were substantially lower than in 1980. On a territorial basis there was a marked improvement in UK profits as exports returned to profitability, and also in profits in North America. There was a modest increase in Australasia and the Far East. The following table summarises the quarterly sales to external customers and profits

Chemical Sales	Oil Sales	Profit Before Tax
£millions	£millions .	£millions
1359	164	171
1331	121	103
1191	113	3
1259	177	7
5140	575	284
1287	209	52
1418	185	. 83
1477	174	86
1568	263	114
5750	831	335
	Sales #millions 1359 1331 1191 1259 5140 1287 1418 1477 1568	Sales Sales £millions £millions 1359 164 1331 121 1191 113 1259 177 5140 575 1287 209 1418 185 1477 174 1568 263

The charge for taxation for the year 1981 amounting to £111m (1980 £123m) consists of £41m of UK corporation tax (1980 £41m) and £70m taxation of overseas subsidiaries and principal associated companies (1980 £82m).

Fourth Quarter 1981

Group chemical sales in the fourth quarter were £1568m, 6% better than the seasonally low third quarter. Group chemical sales volume improved by only 2%, prices were increased by 1% and currency movements accounted for a further 3% increase in sales in sterling terms. Oil sales rose from £174m in the third quarter to £263m in the

The f.o.b. value of chemical exports grew throughout the year to reach £352m in the fourth quarter, an increase of 6% on the previous quarter (£331m). The Company's oil business (including its share in the Ninian oilfield) produced trading profits of £25m in the quarter (third quarter £18m) after supplementary petroleum duty and petroleum revenue tax of £45m (third quarter £26m).

ent Cost Aces

	Current	Cost
	1981 £millions	1980 £núllions
Trading profit	-111	93
Profits less losses from trade investments	27	- 26 _
Interest and other financial items	-54	-46
Profit before taxation	84	73
Taxation	—111	-123
Minority interests	-14	-11
Loss attributable to parent company before extraordinary items	-41	-61
Extraordinary items	-6	-173
Loss attributable to parent company after extraordinary items	–47	-234
Dividends	-113	-101
Loss for the year	-160	-335
Earnings before extraordinary items per £1 Ordinary stock	-6.9p	—10.4p

The current cost trading profit is stated after charging supplementary depreciation of £185m (1980 £165m), a cost of sales adjustment of £119m (1980 £109m), a monetary working capital adjustment of £52m (1980 £3m), and after taking credit for the indexation of Government grants of £42m (1980 £38m). The interest cost in the curreot cost statement is after crediting an SSAP16 gearing gain of £88m (1980 £64m). **Current Trading and Prospects**

Although results in the fourth quarter 1981 were significantly better than those in the previous quarter (Profit before tax £114m against £86m), the underlying trend is not as satisfactory as these figures suggest since some £20m of the improvement represents currency gains on the settlement of export debts which arose from sales to carlier quarters. There is considerable uncertainty over economic prospects for the remainder of 1982 io all major markets and there is no firm evidence yet of sustained improvement in demand.

The Board has declared a second interim dividend of 10.0 pence (ten point nought pence) per £1 unit of Ordinary stock, which the Annual General Meeting will be asked to confirm as the final dividend for 1981, payable on 2 April 1982 to members on the Register today. This, together with the first interim dividend of 9.0 pence (nine point nought pence) makes a total Ordinary dividend of 19.0 pence (nineteen point nought pence) for the year. Including the imputed tax credit of 8.14 pence this is equivalent to a gross dividend of 27 14 pence (1980 24 20c). The second interim dividend now declared will about 150 cm. 27.14 pence (1980 24.29p). The second interim dividend now declared will absorb £59m and together with the first interim dividend makes a total of £113m for the year.

Trading results for the first quarter 1982 will be announced on Thursday 29 April 1982.

P.S.G. FLINT

Secretary

Imperial Chemical House London SW1P 3JF

25 February 1982



Imperial Chemical Industries PLC

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Renison tin mine strike leaves RGC in the red

BY KENNETH MARSTON, MINING EDITOR

DISAPPOINTING RESULTS for the first half of its initial full financial year to June 30 come from Renison Goldfields Con-solldated (RGC), the company formed last June out of the merger of the Consolidated Gald Fields group's four Australian

mining companies.

RGC has gnne into the red with a loss of A\$1.19m (£700,000) at the latest 21x months com-pared with a profit of A\$11.15m in the came period of 1980. An interim dividend of 5 cents (3p)

Last June RGC expected to be able to declare a total dividend for the current year of at least 50 cents, depending nn no linforeseen circumstances But Mr Max Roherts, the chairman, pnints nut that the expectations bave not been reelised and the interim dividend now declared is well helow that which was contemplated at the time of the merger. "The final dividend," says Mr

Roberts. "will clearly and neces-serily be dependent upon commodity prices and trading conditions during the second half of the year." suffered from low prices for its

Lornex profit falls sharply

A SHARP drop in fourth-nuarter earnings left Canada's Linnex Mining with full-year net orofits of CS23.2m (£10.3m), a fall of 64 per cent from 1980's CS65.1m The fourth querter produced just CS1.4m, compared with C\$12.7m from the mining side.

The British Columbia copper and molybdenim producer had earnings of CS2.81 a share for the year, against CS7.S7 last

The compeny said that lower prices for both metals, plus hy-product silver, a fall in investment income end higher operating costs were the main reasons for the decline. These factors more than offset the benefits of increased production.

Tonnage milled rose by 29 per to 22.9m tons as a result the start-un of expanded mining end milling facilities io August. These facilities are

BOARD MEETINGS

BOVUD III
.The following compenies have nesified
dates of board meetings to the Slack
Opics of house meenings to die other
Exchange. Such meetings sio usually
held for the purpose of considering
dividends. Official indications are not
ovariable as to whether dividends are
Interime or finals and the subdivisions
shown below are based mainly on last
SHOWN OFFICER SIG OFFICE INTERNAL OIL INC.
year's timetable.
TANAV

TODAY
Finals—Al Industrial Products, T. F. and J. H. 2raime, Yerkshire Fine Wool-

metals and mineral sands. But mine. the lrony of the situation is thet copper it has also lost money as regards tin, the only metal price which that been riding high—thanks to the support buying tactics thet are believed to have been carried out on hebalf of Far grade or production in avoidal grade or production in a carried out on hebalf of Far grade or plan. Eastern interests.

lostead of casbing in on the srtificially high price of tin. RGC's big Renison mine in Tasmania has been hit hy industrial disputes which included strikes totalling 61 weeks. The mine is estimated in have lost ASC min Expenses a result A\$9.7m in revenue as a result. Industrial unrest also caused

mine. The letter, living with copper prices which "in real terms were the lowest for several decades" edditionally suffered from a fall in metal production as the result of an inavoidable extraction of law grade ore as part of the mine

FUTURE DATES

ster & Country Pro

Sunzi Pulp and Paper

March

still expects to he profitable in the full year to June 30, losses will continue at the mineral sands and copper operations and with tin prices having fellen recently "the current financial year will be a tough year."

In London yesterday. RGC ordinary shares dropped 35p to 155p and the deferred were a closedown for more than three 155p and the deferred weeks at the Mount Lyell copper marked down 45p to 110p.

Coal boosts Oakbridge

NET OPERATING profit of Australia's Oakbridge mining, industriel end finance group for the six months to end-December 1981, rose hy almost 60 per cent to A\$5.5m (£3.2m), against A\$5.5m (£3.2m), against A\$5.5m (£3.2m). against A\$5.5m (£3.2m). sharply increased contribution

The interim dividend is raised to 3.5 cents (2.05p) from 3 cents last time.

The contribution to pre-tex showed no increase over the satisfactory.

Oakbridge said this was hecause of higher demurrage and interest costs, the Federal Governments' coal export levy introduced in the August 1991 hudget and a higher than nor-mel proportion of local sales, et lower margins, as a result of port congestion.

These factors will continue to profit from mining operations affect results in the eecond half, rose by 173 per cent over the previous comparable period, but they expect full-year results to be

Norada's mine closure cost

THE abandonment of the Ontarin silver, leed and zinc mining project near Park City, Utah, will mean a cherge of hetween C\$17m (£7,6m) and C\$19m and C\$19m write-off, citing weak metal ngainst 19\$1 earnings of Canada's morkets and the inebity to improve productivity for the

improve productivity for the

Ramar in profit midway

FOR THE six mooths to November 27 1981 Ramar Textiles returned pre-tax profits of £105.822 compared with a deficit of £149.611 for the corresponding months a year earlier.

The directors say the company's order book is in a "satisfactory position" and that they view the remainder of the year with reasoneble confidence.

Half-year turnover of this menufacturer and distributor of ladies' clothing moved ahead from £6.53m to £6.95m. There was again no tax charge.

DRG (SA) slides to R5.36m

AXABLE PROFITS of DRG (SA), the 70 per cent owned South African subsidiary of packaging and stationery manufacturer DRG, fell from R8.76m to R5.36m (£2.97m at current rates) in 1981. Turnover was ahead at R116.74m, compared with R99.4m. Tax took R1.5m, against R3.02m.

The directors say that, as warned in January, the profits of the stationery division were significantly below forecast, with the operating surplus R2.5m lower then in 1980. The group's auditors report that at the half year stage the division's results were overstated, after planned sales and margins were not met

In the second balf the division exceeded its sales budget and most the year's target, the auditors say, but at greatly reduced margins and increased overheads, so that profits were further eroded. However, the division only told the directors of this when the year end report wae being prepared after having continued until then to report profits in excess of those earned.

As a result, the division's managing director and two other executives have left, and DRG (SA)'s chief executive is monitoring performance.

-Stated earnings per shere fell from 44 cents to 23.3 cents and the final dividend of DRG (SA) being cut to 4 cents making a total of 12 cents (23 cents).

Noranda Mines. improve | Noranda and the 49 per cent-close-down. designed to lift output by 68 per Rowntree Mackintosh

1981 Preliminary Announcement

The following is a summary of the unaudited results of the Group for the financial year 1981

	£m.	1980 £m
Turnover	688.0	629.8
Trading profit	48.0	44.8
Interest	9.3	14.9
	38.7	29.9
Share of associated companies' profits	1.5	1.5
Profit before taxation	40.2	31.4
Taxation	12.9	· <u>8.5</u>
Profit after taxation	27.3	22.9
Minority interests and preference dividends	_=	0.2
Profit attributable to ordinary shareholders	•	***
before extraordinary items	27.3	22.7
Earnings per ordinary share	21.6p	20.3p

The Board is recommending a final ordinary dividend of 5.3p per share (1980 4.75p) which together with the Interim dividend of 2.7p per share (1980 2.5p) makes a total ordinary dividend for 1981 of 8.0p per share (1980 7.25p) ebsorbing £10.9m based on the existing issued ordinary share capital (1980 £7.9m). If the offer for the Humley & Palmer ordinary shares is fully implemented on the basic that no further employee share options are granted by Huntley & Palmar, the proposed 1981 final dividend on the new Rowntree Mackintosh ordinary shares to be issued thereunder would

absorb £1.0m.

The above figures have been prepared (a) in respect of Rowntree Mackintosh and its subsidieries, on the hasia of the Computer share share share share of the Computer share s The above figures have been prepared (a) in respect of Rowntree Mackintosh and its subsidieries, on the hasis of unaudited menagement accounts for the 52 weeks ended 2nd January, 1982 and (b) in respect of the Group's share of the profits of Huntley & Palmer, on the basis of an assumption that these will approximate to the aggregate of Huntley & Palmer's results for the 16 weeks ended 31st December, 1980 (derived from published financial data) and its published interim results for the 36 weeks ended 13th September, 1981. Sales and profits of overseas subsidiary companies have been translated into sterling at year end exchange rates. Extraordinary items anising in 1981 (excluding Huntley & Palmer) are estimated as follows: adjustment on translation of overseas net assets into starling—credit £5.4m (1980—debit £4.5m) provision for rationalisation costs—debit £3.0m (1980—Nil). Earnings per ordinary share for 1980 have been adjusted for the rights issue in 1981. Current cost accounts will be included in the Annual Report.

Chairman's Comments

As forecast in the Interim Statement last September, the full year's results for 1981 show a return to profits growth, a reversal of the trend of the two previous years. Profits before tax were 28 per cent. higher at £40.2 million. Group turnover was up 9 per cent.

The Board has decided to recommend a final dividend of 5.3p per ordinary share making a total for the year of 8.0p per share, being an increase of 10.3 per cent. over 1980.

In a year of general economic depression and intense competition within the confectionery industry, trading performances were encouraging. In the United Kingdom the confectionery division, continuing its policy of cost reduction and benefiting from price rises at the beginning of the year, improved its trading margins – although at the expense of some decline in sales volumes and market share. Our grocery business, Rowntree Mackintosh Sun-Pat, performed well with ingreased volume and improved trading margins. With increased volume and improved trading margins. With the combined effects of the strong pound and high United Kingdom inflation still disadvantageous in many markets, 1981 proved to be a difficult year for our

exports; both sales and profits were substantially below 1980's exceptional performance. In Europe, where our objective continues to require the re-investment of profits to build strong, profitable brands, sales volumes increased by 4 per cent.; we believe we have the financial resources to continue a policy of investment in this important development area of the Group. The overseas division, which operates the more mature businesses in Australia, Canada, Ireland and South Africa, had a particularly successful year in terms of both sales and profits.

One of the main features of 1981 was the Group's very strong cash position. The contribution from shareholders in response to the rights issue, matched by continued, successful efforts to reduce working capital, was reflected in a lower interest charge. As a result the Group has entered 1982 with a strong financial base to support its strategy of investment in the United Kingdom and overseas - a strategy essential in your Board's view for the continued growth of the Group's earnings and dividends.

KENNETHDIXON

KIT KAT * OUALITY STREET * YORKIE * SMARTIES * POLO * BLACK MAGIC * GOOD NEWS * FOX'S GLACIER MINTS ROWNTREE'S PASTILLES * AFTER EIGHT * WEEK-END * AFRO * ROLO * DAIRY BOX * TOFFO * MATCHMAKERS JELLYTOTS * WALNUT WHIPS * DRIFTER * BLUE RIBAND * BREAKAWAY * MONTEGO CREAMOLA * PAN YAN PICKLES * TABLE JELLIES * SUN-PAT PEANUT BUTTER * CHEDDAR SPREAD

IoM Steam Packet faces tough year

A FALL in advance bookings appeared to offer fares that were showed that 1982 was going to uneconomic.

be a difficult year for the Isle of On roll-on roll-off freight ser-Man Steam Packet Company, Mr Edward Brownston, chairman, warned at the annual meeting in Douglas yesterday.

UK COMPANY NEWS

He said, however, that there was one bright sign—inquiries for the package tour, Haven Holldays, had shown an incresse. Holidays, and shown an increase. He said the company would continue to operate five ships, but had changed sailing schedules substantially in view of the decrease in traffic. The Manxman, the company's last passenger-only ship, would he in service for the coming tourist season, but its future would he reviewed when it ended.

Mr Brownston said the company had opposition in Seatink/

vice, Mr Brownston said the company had agreed to purchase the Jaguar which had been chartered for a year. He had noticed an increase in freight traffic and was expecting the freight service to be profitable

The company had negotiated an agreement on manning levals with the seafarers' unions in an effort to find economies, he said. Although the accounts show an operating loss of £620,552, Mr Brownston said he hoped the company would soon return to

reviewed when it ended.

Mr Brownston said the company had opposition in Seatink/
Manyline which, in an effort to win a greater share of the traffic,

LONDON TRADED OPTIONS

Feb. 25 Total Contracts 6014. Calls 1429. Puts 566. price offer Vol. Closing Vol. Closing

	21100	0.701						
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BASE LENDING RATES

DAGE CENT	DIM INTER
A.B.N. Bank 131%	Robert Fraser 14 9
Allied Irish Bank 131%	Grindleys Bank
American Express Bk. 14 %	■ Guinness Mahon 1319 ■ Hambros Bank 1319
Amro Bank 131%	Hambros Bank 1314
Henry Ansbacher 131%	Heritable & Gen. Trust 1310
Arbuthnot Latham 14 %	Hill Samuel 514 0
Associates Cap. Corp. 14 %	C. Boare & Co
Banco de Bilbao 134%	C. Hoare & Co
BCCI14 %	Knowsley & Co. Ltd 14 9
Bank Hapoalim BM 14 %	Lloyds Bank 1319
Bank Leumi (UK) plc 14 %	Mallinhall Limited 1319
Bank of Cyprus 131%	Edward Manson & Co. 15 9
Bank Street Sec. Ltd. 151%	Midlend Bank 1349
Bank of N.S.W 14 %	Especial Mantager
Banque Belge Ltd 14 %	Samuel Montagu 1319
Banque du Rhone et de	Morgan Greufell 14 9
la Tamise S.A 14 %	National Westminster 1349
Barclays Bank 131%	Norwich General Trust 1349
Beneficial Trust Ltd 15 %	P. S. Refson & Co 1349
Bremer Holdings Ltd. 141%	Rozhurghe Guarantee 1419
Bristol & West Invest, 15 %	E. S. Schwab 1349
Brit Bank of Mid. East 131%	Slavenhurg's Bank 1319
Brown Shipley 14 %	Standard Chartered 1319
. Canada Perm't Trust 141%	Trade Dev. Benk 1319
Castle Court Trust Ltd. 14 %	Trustee Savings Bank 1319
Coverdish Court I That Ltd. 14 %	TCB Ltd 1349
Cavendish Gty Tst Ltd. 1819	United Bank of Knwait 1319
Cayzer Ltd 14105	Whitesway Laidlaw 14 9
Cedar Holdings 14 %	Williams & Glyn's 1319 Wintrust Secs. Ltd 14 o
Charterhouse Japhet 14 %	Wintrust Secs. Ltd 14 of
Choulartons 141%	YOFKShire Bank 13100
Citibank Savings 114 %	Members of the Accepting House
Clydesdale Bank 131%	Committee
C. E. Coates 14 % Consolidated Credits 14 %	7-day deposits 11.00%. 1-mont
Consorting Park	11.25% Short term £8,000/1:
Co-operative Bank*131% Corinthian Secs 131%	1.7-day deposits on sums of:—unde
The Cyprus Popular Bk. 134%	£10,000 11,00%, £10,000 up to
Duncan Lawrie 131%	250,000 113,%. 250,000 and ove
Eagil Trust 131%	12.%.
E.T. Trust 14 %	‡ Call deposits E1,000 and over
Exeter Trust Ltd 141%	11%.
First Not. Fin Com. 17 %	1 Z1-day deposits over £1,000 12%
First Nat. Fin. Corp 17 %	5 Demand deposits 12%.
First Net. Secs. Ltd 17 %	¶ Mortgage base rate.



Allied Irish Banks Limited

Allied Irish Banks Ltd. announce that with effect from close of business on 25th February 1982 their Base Rate is reduced from 14% to 13½%

A=Asked BANK RETURN

20 | 6,50 |

May

DM.150

TOTAL VOLUME IN CONTRACTS:

Increase (+) or Decrease (--) for week

BANKING DEPARTMENT

+1,429,980,614 Government Securities

3,555,794,977

ISSUE DEPARTMENT 10,575,000,000 10,563,054,853 11,945,147 rnment Debt

10,676,000,000

BANOBRAS

BANCO NACIONAL DE OBRAS Y SERVICIOS PUBLICOS, S.A.

has pleasure in announcing the opening of its London Representative Office.

Fernando A. Harmsen, Representative. 8 Moorgate, London EC2R 6DD Tel: 01-606 7971

KEITH COLLINS PETROLEUM CORP.

Appointment of Co-transfer Agents and

Consolidation of Shares

Notice is hereby given that Keith Collins Petroleum Corp. has appointed GERALD QUIN COPE & CO. LIMITED of 19/21 MOORGATE, LONDON EC2R 6BX as co-transfer agents to the Company, to handle the transfer and splitting of Common Shares in the Company at the normal fees of the main Transfer Agents Agents.
The 1 cent shares have been consolidated into new

10 cent shares. Shareholders should forward their certificates denominated in 1 cent shares to the above address. New certificates in the consolidated denomination of 10 cents a share will be issued free of charge to all existing shareholders on the production of their present I cent certificates.

US\$7,000,000:00

MBI INTERNATIONAL NV Guaranteed Floating Rate Notes 1986

for the 6 months 26/2/82 to 26/8/82

The notes will carry an interest rate of 15% per annum. Coupon value U.S.\$773.02

Listed on The Stock Exchange, London

Agent Bank: National Westminster Bank P.L.C., London

BIDS AND DEALS

European Ferries expands in U.S.

NOTICE TO HOLDERS OF TOSHIBA CORPORATION

NS EXCHANG

TABLES

M = V(M)

6% CONVERTIBLE DEBENTURES DUE 1992 NOTICE OF REDEMPTION

AND TERMINATION OF CONVERSION RIGHTS CONVERSION RIGHTS

NOTICE IS HERRBY GIVEN to the helders of the 6% of Correctible Debentures. Due 1992 (the "Debentures") of Toshiba. Corporation (formerly Tokyo Shibaura. Electric Co. Ltd.), a signasses Corporation (the "Company") that pursuant to Article Foor of the indenture dated as of November 10, 1972, between the Company as Trustee (the "Trustee") the Company as decided to redeem on April 16, 1982 all Debentures then outstanding in accordance with the provisions of the sixth paragraph of the Debentures.

The price at which the Debentures will be redeemed will be 103% of the principal amount thereof and will be U.S. \$1,035 per U.S. \$1,000 principal amount. In addition, the Company will pay interest accruing from April 1, 1882 through April 15, 1982 upon presentation and surrender of the Debentures tagether with all compons appertaining thereto maturing after April 15, 1982 at any of the following principal offices of the Paying and Conversion Agentr.

The Bank of Tokyo Trust Company

gentr
The Bank of Tukyo Trust Company
(New York)
The Mitsul Bank, Ltd. (Loudon)
Societe Generale (Paris)
Deutsche Bank (Frankfuri/Main)
Union Bank of Switzerland (Zurich)
Societe Generale de Banque (Lussels)
Banque Generale du Laxambourg
(Lussels) nxembourg) gemene Bank Nederland msterdam)

laxembourg

(Ansterdam)

Algemene Bank Nederland

(Ansterdam)

All payments will be made in such coin or entrency of the United States of Americas at the time of payments hall be legal tender for the payment of public and private debth at the office specified above in New York City, or, at the option of the helders, in like coin or curreacy, at the other offices specified above, by check drawn on, or transfer to a United States dollar account maintained by the payee with, a bank in New York City, subject to any applicable fiscal and other laws and regulations, all in accordance with the provisions of the Debentures and Coupons.

FROM AND AFTER APRIL 15, 1982

INTEREST-ON THE DEBENTURES WILL GEASE TO A CCRUE AND THE RIGHT TO CONVERT THE DESENTURES STATE SHARES OF COMPANY WILL TERMINATE ATTHE LOSE OF BUSI-MESS ON APRIL 14, 1982.

The Debenture holders' attention is called to the fact that in accordance with the provisions of the fifth paragraph of the Debentures taken at their principal amount translated into Japaneseyen at the rate of Yen 254 equals U.S. Dollar 1) of Yen 127,80 per share. Each Debenture-this Deheothers must deposit his Debenture-than at their principal amount translated into Japaneseyen at the rate of Yen 254 equals U.S. Dollar 1) of Yen 127,80 per share. Each Debenture-thal conversion Agents as perifical above before the close of business on April 14, 1982, accompanied by awrition notice to convert, the form of which notice is available from any of the Paying and Conversion Agents specified above before the form of which notice is available from any of the Paying and Conversion Agents specified above before the form of which notice is available from any of the Paying and Conversion Agents appeared from a high of Yen 395 to a low of Yen 356 per share. The reported closing prices of the shares of common, atoek of the Company on the Tokyo Stock Exchange on February 16, 1982 was Yen 378 per share.

TOSHIBA CORPORATION

By: The Bank of Dokyo Trust Company

TOSHIBA CORPORATION

The Bank of Tokyo Trust Company as Trustee Dated: February 26, 1982

27TH NOVEMBER 1981

Group Turnover

Group Profit (Loss)

Trading Results

25th February 1982

Group Profit (Loss)
Attributable to Members

BY DUNICAN CAMPBELL SMITH European Ferries, the shipping. Little or no cash outlay by the £36.4m—while the issuance of Denver, and a similar venture finance and property group, is group. Tech Center's 50 per cent equity in return for tangible across about 100 acres in Atlanta, planning a significant expansion owner is Noramoo, a private comof its land development interests (FORMERLY TOKYO SHIBAURA ELECTRIC CO., LTD)

in the U.S.
Mr Keith Wickenden, the group's chairman, indicated last summer that its future in the property market would lie outside the UK after a number of adverse planning decisions; not-ably over the "green glant" site oo the south bank of the Thames

of the south tank of the mames in London.

The group is now hoping to lift from 45 to 95 per cent its equity stake in Tech Center Inc., a U.S. company with suburban shop and office complexes in Denver, Colorado and Atlanta, Georgia. The value of the proposed deal is understood to be around £50m. around £50m.

EF took its initial stake in

group. Tech Centers 50 per cent owner is Noramoo, a private com-pany owned by three Canadian individuals. Mr. John Dick, Mr Bill Pauls and Mr. Vern Hein-rich. The remaining 5 per cent of the equity belongs to a minority partner, with EF enjoy-

minority partner, with EF enjoyfling first right of refusal to any
offer of sale.

Negotiations for EF's purchase
of the Noramco shares were said
yesterday to be at an advanced
stage, while needing at least
another mouth to be concluded.
Payment will be made with EF
paper, probably authorised but
unissued shares.

Mr Wickenden said that there
was no possibility of a rights
issue to finance the deal—EF
completed a one-for-one rights
issue last May which raised

selling out and leaving us in an
unwelcome minority position."
Secondly,
we think Denver is one of the
tkey growth areas in the U.S.
property market and Tech
Center is based on one of
Denver's own key areas."
He said be "would not
dissent too far" from estimates
of the U.S. company's earnings
around £4m.25m for 1981 and
ESm.£10m for 1982.

The development interests
completed a one-for-one rights
issue last May which raised

assets would increase share-bolders' funds and strengthen the group's balance sheet at the

same time.
"The purchase will safeguard us against our partners selling out and leaving us in an

The Georgia Technological Institute holds 15 per cent of the latter. The Denver joint ventures are with a number of major U.S. companies including Asma

EF's increase in its holding remains conditional upon an examination of Noramco pre-sently being undertaken by the group's accountants.

Mr Wickenden and Mr Sindle, Mr Wickenden and Mr Sindle, EF's managing director, will also agree to remain with the group for five years in return for undentakings from Noramco's senior executives to stay with Tech Center. The three Canadians of the comment of the company.

The shares of EF closed up ip

Charterhouse Petroleum offer for CCP

Charterhouse Petroleum, the 7.84m shares in CCP. The bid- and 20 per cent, depending on der's shares closed down 3p at the mix of cash and shares company with North Sea and 71p last night, valuing the offer offered. The maximum possible are 192p per share, or £15.08m in acceptance of shares with the Charterhouse Groups's cash. cent owned by the Charterhouse Group, has made an agreed bid for CCP North Sea Associates. CCP's shares, which are dealt on the Unlisted Securities

in the Buchan Field.
Under the agreed terms,
Charterhouse Petroleum will
offer 50p cash plus two of its
ordinary shares for each of the

BICC takes

25% stake

KIO DISPOSALS

in Lamintref

BICC has agreed to buy for

£1.6m a 25 per cent interest in Lamitref Alaminium NV, a

on the Unlisted Securities of shares or shares in place of Market, were suspended on February 15 at 145p. Trading option will depend upon different shareholders making complementary elections, bowever, since Charterhouse's new share tion group in which Cluff Oil issue will be limited to 20.9m holds a 29.99 per cent stake. Its shares and its cash offer to principal asset is a 6 per cent stake. Its share price will be unitiased Net Production Holding in the Buchan Field.

Under the agreed terms, option.

Charterhouse Petroleum's share issue will increase its Dr Jack Bi equity capital by between 16.4 shortly retire

the Charterhouse Group's stake

The terms also provide a in the oil company to 38.4 per limited option for CCP's share-holders to elect for each in place of shares or shares in place of each. The availability of this option will depend upon different the company says exceed £30m. Associated with the acquisition will be a payment of £100,000 to Cluff Oil by Charterhouse Petroleum for a 17.1 per cent interest in Block 20/8 of the North Sea. While Cluff will remain the operator of the block, this sale will add to the 4.9 per cent interest in it already held by CCP.

Dr Jack Birks, who will hordy retire as managing

after the company first approached CCP, on February 15. He heads a company with a 13 per cent interest in an offshore field in Abu Dhebi and a number of boldings in the North Sea, including 2.3 per cent of the Thistle Field. The company said yesterday that a successful acquisition of CCP would make it "the first British independent oil company with interests in two separate UK oilfields in production."

Irrevocable undertakings accept the offer have been given in respect of 12.5 per cent of the shares by two directors of CCP and in respect of its 29.99

RTZ makes agreed bid for Tunnel

BY RAY MAUGHAM

Belgian aluminium rod producer. Lamitref Aluminium has traded since November 1981 and com-prises the aluminium activities A MONTH after winning control of Thomas W. Ward in a contested £15m takeover battle, the giant mining group, Rio Tinto Zinc Corporation, bas used Ward's 42 per cent stake in Tunnel Holdings to launch and a circular to stareholders within the next few days. Tunnel's pre-tax formerly carried out by Lamitref This invastment will secure supplies of aluminium and aluminium alloy rod for the manufacture of overhead line conductors and power cables for agreed bid for the cement and speciality chemicals group,

"B" ordinary shares in Tunnel. Taking in the shares which RTZ already owns, including the "C" results for the second half of shares, Tunnel is valued at 572p per share or £138.15m with RTZ shares at 429p, down 4p yesterday. Tunnel "B" shares dropped the cash alternative the bidder is also officing.

"B" ordinary shares in Tunnel. Quent six months. Mr Birking warned, however, that Tunnel's results for the second half of the year to March would bear the brunt of the unusually harsh winter.

He was "glad that it's all settled." The takeover action surrounding Tunnel started last march when Ward first unleasted to the cash alternative the bidder is also officing. The Kuwalt Investment Office has reduced its stake in Chuhb and Son from 11.12 to 10.84 per cent. Having sold 200,000 shares, it now holds 6.58m.

It has also disposed of 200,000 shares in General Accident Fire and Life Assurance Corporation, reducing its bolding to 14.67m respect of 1981. That implies an approximate 16 per cent rise in income, assuming an unchanged total Tunnel dividend for the year to March. The dividend will not be paid to those taking the cash atternative. BAT INDUSTRIES BAT Industries of the UK plans to reduce its 64.5 per cent county stake in the Malaysian tobacco company Berbad (MTC) to 49 per cent to allow 51 per cent local ownership by 1985, MTC said.

The mining group already controls shares representing 50.9 per cent of Tunnel's voting halting Ward's advance. The mining group then it intended to make an offer for Tunnel. Tunnel, beaded by Mr Derek Birkin, has been amenable to these overtures all along, with the important caveat that the price could be agreed.

Mr Pickin said rectarious that it intended to make an offer for Tunnel. Tunnel, beaded by Mr Derek Birkin, has been amenable to these overtures all along, with the important caveat that the

THE RUG kits and specialised textile products group Readicut International, has sold three subsidiaries for £600,000.

A local private company in Huddersfield, Gebrack has acquired the stock and trade marks of Shaw Polythene, Shaw

marks of Shaw Polythene, Shaw Readypack and Snappies for cash payable over a period of six months.

Shaw Polythene distributes polythene film and film products while Shaw Readipak and Snapies manufacture and distribute bousehold disposable products. Snapies has been a persistent lossmaker since its acquisition for £1.76m in October 1950 from the receiver of Empress Products.

Empress Products.

The three companies lost an

Readicut Int. sells three

subsidiaries for £0.6m

to stareholders within the next few days. Tunnel's pre-tex profits grew last year from £10.5m to £15.6m and expanded shares for every three "A" or £753m to £8.76m in the subse"B" ordinary shares in Tunnel, quent six months. We provide the shares where the state of the shares where the same of the same of the shares where the same of th quent six months. Mr Birking warned, however, that Tunnel's results for the second half of the year to March would bear the brust of the unusually harsh

Tunnel shareholders accepting an offer which valued Tunnel at the equity offer will be entitled to the final RTZ divideod in respect of 1981. That implies an it had held for a decade but, despite lifting its term to 435p, Ward oever got beyond 42 per cent control.

As that bid rested in the balance, RTZ made its first appearance in June paying up to 450p per share to buy a small but crucial stake in Tunnel and believe World's advance.

mrice could be agreed. of the UK cement market and will be starting negotiations to the price agreed after negotiations over the last 10 days "is together.

Burmah may alter Croda bid terms

THE MERCHANT bank advising Burmah Oil on its bid for Croda International, J. Henry Schroder Wagg, said last night that the oil company was "obviously thinking very bard" about the possibility of a change in the terms of the bid.

No decision bad yet been taken though said Schroders. The bid was accordingly extended once again without adjustment for another week. The terms remain 48p cash for each deferred Croda share and 70p cash for each ordinary Croda share. Tha two closed last night up 2p at 52p and unchanged at 82p respectively.

The level of acceptances received for the bid was only marginally higher yesterday than a week before, leaving Burmah still with effective control of 17.91 per cent

Schroders acknowledged that before there was little bope of the 70p bid against the back-ground of Croda's present share price in the market. Sir Freddie Wood, Croda's chairman, said the latest disclosure of acceptances showed that Burmah was "not showed that Burmah was "not even getting the accidental ones."
Sir Freddie reaffirmed the confident profits forecast made by Croda earlier this week. "Our forecast generally speaking is based on our present performance rather than any projected improvement," he said.

Referring to some cautious remarks about the future from Sir Maurice Hodeson, the chairremarks about the future from Sir Maurice Hodgson, the chairman of ICI which announced its 1981 results yesterday. Sir Freddie added that ICI's record had not always suggested a perfect anticipation of events. He pointed out that ICI cut its dividend last year at what proved to be the low point in tha chemical cycle.

Schroders stressed that the ICI results suggested the "considerabla uncertainty" prevailing in the sector and thought them "not really consistent" with Croda's own profit forecast for the current year. Burmah's own shares closed unchanged at 108p.

Readicut, however, has had to bear the cost of redundancies in the three companies now sold. Since the autumn their total payroll has fallen from 250 employees to about 100. Gelpsck is to rent two premises in Huddersfield at rents of £20,000 annually over five years and a similar sum over 25 years respectively. The buyer will also hire certain associated plant on a five year rental of £36,000 per annum. The vendor has received three inquirles for the remaining buildirg; which is expected to realise between £150,000 and £200,009.	The subsidiaries fail outside the mainstream of Readicut's operations the group explained, and Mr H. Morrell, vice-chairman, said yesterday: "We are aligning ourselves faily behind the textile industry."	in the sector and thought them "not really consistent" with Croda's own profit forecast for the current year. Burmah's own shares closed unchanged at 108p.
	bear the cost of redundancies in the three companies now sold. Since the autumn their total payroll has fallen from 250 employees to about 100. Gelpsck is to rent two premises in Huddersfield at rents of £20,000 amutally over five years and a similar sum over 25 years respectively. The buyer will also hire certain associated plant on a five year rental of £36,000 per annum. The vendor has received three inquiries for the remaining building which is expected to realise between £150,000 and	February 25

L Stakis Organisation

Highlights from the Statement by the Chairman, Mr. Reo Stakis

Group Results ★Another year of growth for the group.

*Pre-tax profit up 18.4% at £4,658,000. Shareholders *Total dividend

increased from 1.4p to

1.6p per share. * Shereholders offers include:

 £4 food voucher £5 summer holiday voucher.

 special wine offer from Haddows, Hotels and inns

#∓Trading profit increased by 7.3% to £2,371,000.

*Main resort hotels in Scotland had excellent results.

*Very encouraging results from Coylumbridge Highland Lodges time-sharing development.



Casinos

by 44.9% to £2,293,000. inclusion of five new casinos acquired between September 1980 and January 1981.

*New casinos did not produce normal year's profit due to lack of full year's trading and heavy start up costs.

Wines and Spirits

*Trading profit of Haddows up 53.9% at £1.604.000. *Nine new off-licences opened during year and two marginal units closed.

*Two more shops opened since year end and seven others programmed to

open in next few months. Prospects

☆Great prospects for future when recession lifts. Trading in first quarter of 1981/82 ahead of last year.

	FIVE YEARS OF GROWTH									
1976/77 1977/78 1978/79 1979/80 1980 /8										
	£'000	£'000	£.000	£'000	£'000					
Tumover	38,108	52,712	58,630	63,427	77,795					
Profit before tax	1,747	2,775	3,564	3,935	4,658					
Profit after tax	1,213	1,798	2,497	2,942	3,539					
Earnings per shere	2.42p	3.39p	4.70p	5.50p	6.45p					
Dividends per share	0.46p	0.67p	1.17p	1.40p	1.60p					
Net essets per share	17.73p	20.47p	32.21p	38.00p	42.86p					

Copies of the Annual Report can be obtained from:- The Secretary. STAKIS PLC., 244 Buchanan Street, Glasgow G1 2NB.



Established 1833

Arbuthnot Latham Merchant Bankers

Our new address:

Northgate House, 20/24 Moorgate, London, EC2R 6HH Tel: 01-628 9876 Telex: 885970 General 884434 Forex (Reception: 6th Floor)

Manchester Office: 39 Princess Street, Manchester, M2 4FN. Tel: 061-228 2411 Telex: 669442 Overseas Offices and Associates: Singapore, Indonesia, Hong Kong, USA.

All Banking and Corporate Advisory Business of the merged Dow Scandia Banking Corporation Limited and Arbuthnot Latham & Co., Limited will be transacted in the name of:

Arbuthnot Latham & Co., Limited Enquiries to:

P.J. Brasier, Chief Executive

Shareholders: Dow Banking Corporation, Switzerland; Sundsvallsbanken, Sweden; Bank of Helsinki, Finland; Forretningsbanken, Norway.

The British Textile Industry has been decimated in the last year. We have been able to overcome the garment manufacturing industry's severe problems by producing more ecocomically, although at depressed prices in order to keep our work force employed at full capacity. I view the remainder of the financial year with a reasonable confidence that we may show to our shareholders improved M. RADIN Chairman Citicorp Overseas Finance Unconditionally guaranteed by CITICORP •

Corporation N.V. (Incorporated with limited liability in the Netherlands Antilles)

Ramar

MANUFACTURERS AND DISTRIBUTORS OF LADIES AND CHILDRENS CLOTHING

26 weeks to 26 weeks to 52 weeks to 27th Nov 1981 30th Nov 1980 29th May 1981

6,534,934

(149,611)

(149,611)

12,655,821

115,163

19,317

95,846

UNAUDITED RESULTS FOR THE SIX MONTHS ENDED

6.954.905

105,822

105,822

satisfactory position. The same position exists today.

I would refer you to my statement for the last financial year ended 29th May 1981 when I stated that the order book was in 2

The results for the six mooths ended 27th November 1981 showed a profit of £105,822 against a loss for the corresponding half year in 1980 of £149,611. I am of the opinion that our recovery is

mainly due to design innovation, better management and superb efforts by our staff.

Guaranteed Floating Rate Notes due 1983

In eccordance with the terms and conditions of the abovementioned Notes and the Agent Bank Agreement dated as of August 20, 1979, between Citicorp Overseas Finance Corporation, N.Y., and Citibank, N.A., notice is hereby given that the Rate of interest has been fixed at 1418 % per annum and that the interest payable on the relevant Interest Payment Date, May 28, 1982, in respect of U.S.\$10,000 nominal of the Notes will be U.S.\$377.59.

By: Citibank, N.A., London, Agent Bank

CITIBAN(

aggregate £500,000 or so in the six months to September 30 last year when the group made a trading profit of £293,000 and a pre-tax loss of £595,000. The vendor has received three inquirles for the remaining building which is expected to realise between £150,000 and £200,000. In war, in peace you need his help When help is needed, please help him and his dependants Adonation, a covenant, a legacy to THE ARMY BENEVOLENT FUND will help soldiers ex-soldiers and their families in distress

DEPT FTDUKE OF YORKS HOLONDON SWIASF

U.S. \$650,000,000

Kingdom of Sweden



Floating Rate Notes Due 1989

In accordance with the provisions of the Notes, notice is hereby given that for the six month Interest Period from 26th February, 1982 to 26th August, 1982 the Notes will carry an Interest Rate of 15th % per annum and the Coupon Amount per U.S. \$10,000 will be U.S. \$769-88.

> Credit Suisse First Boston Limited Agent Bank



THE KINGDOM OF DENMARK

U.S.\$100,000,000

Floating Rate Notes due 1992

In accordance with the provisions of the Notes and the Agent Bank Agreement between The Kingdom of Denmark and Citibank, N.A., dated February 12, 1982, notice is hereby given that the Rate of Interest for the initial interest period has been fixed at 15.6.2. p.a. and that the interest payable on the relevant interest Payment Date, August 25, 1982, against Coupon No. 1 will be U.S.\$776.16.

February 26, 1982 By: Citibank, N.A., London, Agent Bank

CITIBAN(

Financial Times Monday February 99 1029

NOTICE OF REDEMPTION

To the Holders of

Mitsui Petrochemical Industries, Ltd.

8 per cent. Guaranteed Notes due 1984

NOTICE IS HEREBY GIVEN that, pursuant to Condition 5(A) of the above Notes, the undersigned will redeem on April I, 1982 \$5,350,000 aggregate principal amount of said Notes at their principal amount, together with interest accrued to the date of

The serial numbers of the Notes to be redeemed are as follows:

On or after April 1, 1902 said Notes will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tember for the payment of public and private debts. The Notes will be paid upon presentation and surrender thereof with all compons appertaining thereto mainting after the redemption date, at the option of the holder at any one of the following paying agents: The ludustrial Bank of Japan Trast Company. Principal Paying Agent, One Wall Street, New York, New York 10005; The Mitsui Bank, Lindted, Galilee Building, Avenue Galilee. 1030 Brussels, Belgium; The Mitsui Trust and Banking Company, Limited, 99 Bishopsgate, London EC2M 3XD; Kredietbank, S.A. Luxembourgeoise, 43 Boulevard Royal, Luxembourg; Credit Lyonnais, rue du Quatre Septembre, 75002, Paris, France.

Payments other than in New York City will be made by US dollar cheque drawn on, or by transfer to a US dollar account main-

tained by the payer, with a bank in New York City.

Coupons due April 1, 1982 should be detached and collected in the usual manner. From and after April 1, 1982 interest on the Notes to be redeemed will cease to accrue.

Dated: February 26, 1932

Mitsui Petrochemical Industries, Ltd.

NOTICE The serial numbers of Notes drawn for redemption on April 1, 1981, and not yet presented for payment are as follows: 13619 13681 13701 13638 13667 13707

Plessey £18m ahead at nine months

For the period, group pre-tax profits advanced from £22.09m to £27.51m, leaving the result for the nine months to January 1 1982 some £18.11m higher at £78.77m. Earnings per 50p share for the third quarter rose from 6.50p to 7.17p, and for the nina months they showed a 22.9 per cent increase at 20.59p. The net interim dividend is being lifted from 3.22p to 3.542p. Last year's total payment was 7.631p.
Sales for the 39

PLESSEY'S GROWTH continued expanded by 14.6 per cent to ment and reduced margins in in the third quarter of the curferni year, with telecommunications once again leading the way.

Was on a 40 week period. Operations once again leading the way.

Was on a 40 week period. Operations once again leading the way. ing profits of £72.3m increased by an adjusted 19.7 per cent, and exports from the UK were up by

31.5 per cent to £83.5m. Telecommunications continued to make strong beadway, with sales rising from £54.9m to £291m and operating profits pushing aftead from £28.98m to £37.21m. Turnover of the electronics and equipment division improved from £180.1m to £214.1m but, due to increased investment in product develop-

electronics and components continued, with profits rising from £4.82m to £5.93m on virtually unchanged turnover of £82.1m (£82.6m). In addition, aerospace and engineering again performed well. Here, profits rose from £10.94m to £12.8m on turnover of £86.7m (£85.4m).

Sales per employee for the nine months increased by 244 per cent to an annual rate of £20.591.

After depreciation of £17.78m

(£15.64m), but including group services of £4.44m (£3.32m), operating profits totalled £72.34m (£61.98m). The jre-tax result included share of associates £3.06m (£2.61m) and interest receivable of £14.05m (£4.89m). It was after charging interest payable of

£10.67m (£8.92m). Tax took £27.6m (£19.5m) and minorities £1.44m (£1.12m), leaving earnings before extra-ordinary items ahead from £40.04m to £49.74m.

Orders at the end of December 1980 amounted to £1,204m comwith £1,195m a year pared

BTR Hopkins up 85%

subsidiary of BTR Australia which is in turn wholly owned which is in turn wholly owned by general rubber manufac-turer BTR, leaped 85 per cent from A\$8.09m to A\$14.98m (£8.84m at current rates) in 1981. Turnover rose 61 per cent to A\$128.55m, compared with A\$50.08m.

With stated increased earnings per share of 33.4 cents (25.8 rents) the final dividend is being raised from 5 cents to 6 cents making a total of 11.5 cents (10 cents). This is being paid on capital enlarged by a one-for-five bonus in February 1981.

The directors say continued

TAXABLE profits of BTR growth and progress are in Hopkins, the 67 per cent owned prospect for the current year, subsidiary of BTR Australia Orders and inquiries were at which is in turn wholly owned much higher levels at the beginning of the year than in 1981. In 1981 they say there was sustained demand for mining

and materials bandling products, automotive components, cryogenic vessels and marine and aviatinn survival equipment.

Tax took \$6.39m t\$2.21m), and ster extraordinary profits net of tax of \$1.55m (\$60,000), the attributable profits emerged at \$9.88m (\$5.95m). The pre-tax profits were arrived at after depreciation of \$1.28m (\$1.07m) and interest charges of \$1.92m (\$1.36m).

Osprey Assets seeks listing

1981, is coming to tha Stock ments. Exchange by way of an introduction.

The company has assets of about £600,000, all the capital baving been subscribed by investment clients of stockbrokers Dennis Murphy, Campbell, Aberdeen advocates Davidson and Garden, and directors of the company. Last summer 2m ordinary 25p shares were issued at 30p each.

The listing is being sought for

A NEW investment trust, Osprey longer pay tax on capital gains Assets, incorporated in Jnne arising from the sale of invest-

Asset value is slightly above 30p per share, and over 80 per cent of the fund is invested in temporary deposits and gilts. After listing bas been obtained, the company intends to build up a balanced portfolin, covering most sections of functors and most sections of finance and

An interim dividend of 0.5p per share has been declared in respect of the period to June tax reasons. Once Osprey Assets casting a final of not less than has qualified as an anthorised 0.9p per sbare, which would investment trust, it will no represent a yield of 6.7 per cent.

APPOINTMENTS

Managing director of Glacier Metal

Dr Christopher R. Burns has been appointed managing direc-tor of THE GLACIER METAL COMPANY part of the AE Group, from April 1. He succeeds Mr G. Walsh, who has been appointed divisional managing director of AE's bearings division, of which Glacier Metal is a part. Dr Burns joins AE after three years with T. I. Jacksoo, where be was plant director. For most of his previous carreer be worked for the Alfred Herbert Group.

VISA INTERNATIONAL has appointed Dr Ugo Scarpetta as general manager for Europe. Middle East and Africa, based In London, He joins Visa from Banca d'America E d'Italia, where he was e member of the management committee. During bls 32 years with the bank, be was responsible for building Visa in Italy. As a representative of Banca d'America E d'Italia, Dr Scarpetta contributed to the formation of Visa International and bas been a board member since its inception.

Mr W. E. Bell bas joined the board of COSTAIN GROUP as a non-executive director from July 1. He is a director and the Middle East regional co-ordinator of Shell International Petroleum Company.

Mr J. F. Davies has been appointed deputy managing irrector of YORK TRAILER HOLDINGS. He was formerly managing director of York Trailer International and will results international and will continue to be responsible for the day-to-day operation of this division. Mr Larry M. Hotchkles becomes a non-executive director of York Trailer Holdings. He is vice-president of Flexivan lnc., and was marketing director at York until 1973.

The ENGINEERING EM-PLOYERS FEDERATION has elected Sir Peter Matthews,

chairman of Vickers, as president for the coming year. The two new vice-presidents are Mr Allen Greenwood, deputy chair-man of British Aerospace, and Mr Duncan McDonald, chairman of Northern Engineering Industries. The council approved the appointment of Dr James McFarlane as director-general of the Federation. He takes over from Mr Anthony Fordsham.

HIGHGATE AND JOB GROUP has appointed Mr A. Laird, Mr M. E. Constable and Mr R. McNeil as directors.

Mr David A. C. Sarre, a director of BF INTERNATIONAL will retire on April 29. His place of the board will be taken by Mr Michael J. K. Savage who will be responsible for personnel and pensions something tration. He will also be the regional director for Africa. Mr Savage bas for the past four years been pre-ident of Sohio Petroleum Com-pany. BP's U.S. essociate

Mr Eric Senat, director of business affairs, for Warner Bros in Europe has today been named a vice-oresident of WARNER BROS (CONTIN-

formerly chairman of Odey Printing Group, has joined PERGAMON/BPC as managing director of BPC Group Services.
He is also appointed nonexecutive chairman of the
recently acquired Product Snpport Graphics Companies in
Derby, East Kilbride and Birmingham ingham. Mr Edmund Fisher has been

Mr Edward D. Collins, of New York, has been appointed a nonexecutive director of HANSON

appointed managing director of Macdonald and Co. (Publishers),

a BPC company. He will be in charge of all book publishing activities within the Macdonald group. Mr Fisher is a former managing director of Rainbird Reference Books, Michael Joseph and Sphere Books.

Mr Michael H. E. Lesser has been appointed a director of J. E. LESSER AND SONS (HOLDINGS). Also appointed to the Lesser board is Mr Peter Willars, previously company secretary. Mr Bernard J. Thomas, assistant company secretary since 1975, bas been appointed acting company secre-

At the WIGGINS TEAPE GROUP Mr Bill Boath will succeed Mr Sam Burroughs in September on his retirement as group personnel director, Mr. Hoath will relinquish bis posttion as chief executive of UK operations in July, but will continue as non-executive chairman of Wiggins Teape (UK). He will also take over responsibility at board level for group research and development from Mr John Chimrow. Mr Alex Halliday will become chief executive if UK operations from July. He will be appointed deputy chief executive of UK operations and a director of Wiggins Tespe (UK) in April, and will relinquish his responsibilities in overseas operations. Mr John Berry will be appointed a territorial director of overseas opera-tions and a director of Wiggins Teape Overseas in April. Mr Hance Fullerton is appointed

GATX LEASE FINANCE, has appointed Mr Eric Crane as cogeneral manager. He was general manager. He was assistant general manager with Concord Leasine.

responsible for packaging and industrial division and becomes

director of Wiggins Teape

Mr Brian T. G. Nicholson, joint managing director of The Observer, bas joined the board of LLOYD'S OF LONDON PRESS, publishing subsidiary of

Mr Alan Tilbury has been appointed secretary of the BREWERS' SOCIETY. He was BREWERS' SOCIETY. He was previously deputy secretary. He succeeds Mr Ronald Matthews.

who is retiring after 49 years service with the Society.

appointed director of finance of tha PHARMACEUTICAL Mr P. Foley bas been appointed managing director of

IMI FLUIDAIR. Mr Steve Gebbett bas been appointed creative director of

CHARLES BARKER LYONS. URM (UNITED KINGDOM)
bas appointed Mr Joe Beeston
as sales director.

Mr John Mortimer bas been appointed managing director of IFS (PUBLICATIONS), Bedford. He was previously publishing director and editor of The Engineer.

Mr Julian Barnwell, managar of process planning and design, has been appointed a vice-president of BECHTEL GREAT BRITAIN.

BRITISH RAILWAYS BOARD has appointed Mr Michael V. Casey as director of mechanical and electrical engineering. He is engineering director. British Rail Eogineering, and succeeds Mr Kenoeth Taylor, who is to retire on March 31.

Dr Alasdair Maclean. present a director of ICI fibres division, bas been appointed managing director of tha SHIRLEY INSTITUTE.

Mr J. Alan Clough, chairman and joint managing director of British Mobair Spinners, bas been elected president of the Bradford-based CONFEDERA-TION OF BRITISH WOOL TEXTILES.

Mr Edmund R. W. W. Pears bas resigned as managing director of COMET GROUP. Mr Paul N. Gny has been appointed N. Gny has been appointed deputy chairman in addition to bis duties as financial director.

Mr John S. Singleton bas been appointed managing director of KONE MARRYAT SCOTT, maker ifts and escalators. He was previously a director of RHP Bearings, Newark.

This advertisement compiles with the requirements of the Council of The Stock Exchange.

U.S. \$125,000,000

Province of Saskatchewan



16% Notes Due 1989

The following have agreed to subscribe or procure subscribers for the Notes

Credit Suisse First Boston Limited

Banque Nationale de Paris

Deutsche Bank Aktiengesellschaft

Orion Royal Bank Limited

Salomon Brothers International

Société Générale de Banque S.A.

S. G. Warburg & Co. Ltd. Wood Gundy Limited

The issue price of the Notes is 100 per cent. The Notes have been admitted to the Official List by the Council of The Stock Exchange, subject only to the issue of the temporary Global Note.

Interest is payable annually in arrears in March, the first payment being made in March 1983. Full particulars of the Notes are available in the Extel Statistical Service and may be obtained during usual business hours up to and including 12th March, 1982 from the brokers to the issue:

> Houre Govett Ltd. Heron House 319/325 High Holborn London WCIV 7PB

26th February, 1982

Chrysler reduces annual net deficit to \$475.6m

CHRYSLER, number-three U.S. car maker, number-three U.S. car maker, last year from \$9.23bn to estimates putting this at \$100m. has incurred a net loss of \$10.82bn, is predicting a \$150m Mr Iacocca, however, claimed \$475.6m for 1981, against esta-475.6m for 1981, against estimates of more than \$500m for projection was made by would prevent us meeting our che year, and the whopping Chrysler to the Federal Loan earnings objectives for this Final quarter results were ing to salvage the alling car interest rates between the 17 maker. mates of more than \$500m for the year, and the whooping \$1.71bn deficit of 1980. also better than U.S. car in-dustry analysts had expected. Mr I amounting to a loss of \$86.6m chairma compared with a loss of \$235m mate.

troubled company, whose sales increased quarter of this year with some Mr Lee Iacocca, Chrysler's chairman, said that this esti-mate did not include the

in the fourth quarter of 1980. A company's agreement last gramme." In addition to reductions of \$100m or more in the final period had been expected. Sidilary to General Dynamics for sales to half of what it was sales to half of what it was the period had been expected. Despite the continuing diffi-culties of the U.S. car market Althou 348.5m. two years ago. Chrysler has Although the company is implemented an internal asset

and the economy in general, now adopting an increasingly management programme to Chrysler appears increasingly upbeat approach analysts fore convert some of its working optimistic about its future. The cast heavy losses in the first capital into cash by next June.

and 20 per cent level.

Chrysler is continuing its "stringent cost-cutting pro-

Two Swedish Eurobond offers

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Recording to

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THE SWEDISH Export Credit for five years and then at par sector Nafinsa, Mexico's State Corporation is back in the Eurobond market with two issues—

Lead-managers are Morgan cent on DM 150m of eight-year a \$200m zero coupon bond and Carley, Bank of America and paper. The coupon represents a gether with other offerings during the week, this brings to more than \$1.2bn the volume of new E riddlar paper since

The \$200m 12-year zero paper is priced at 19.70 to yield 14.50 per cent. Morgan Stanley is lead-manager and the actual amount being raised comes to

The \$75m offer is an unusual deal. With an indicated coupon of 151 per cent, the pricing seems at first glance out of line with the market.

But the seven-year paper pro- 12 months, vides an option for bondholders to convert from fixed into floating rate notes every six months for the first four years. The conversion into floaters paying the London interbank offered rate (Libor) provides a certain degree of downside protection-

The bonds are non-callable

For those who wish to move from floaters to fixed rate notes, Dome Petroleum is in the market with its own brand of paper. It is selling \$50m of floaters with a spread of 1 point above Libor through Societe

Each note has two warrants. which entitle the holder to buy seven-year fixed-rate paper with a 161 per cent coupon. This means the borrower could raise an additional \$100m if the warrants are used in the next

in the secondary market dollar bond prices gained 1 point yesterday in moderate to found themselves running out of stock and Swiss retail investors were said to be particu-

remium above the current market rate, but higher compons generally bring out the German retail investors. Dresdner Bank

is leading the issue. Deutsche Mark foreign bond prices were up around 1 point while Swiss franc foreign bond prices increased 1 point last

Mexico is placing SwFr 100m of five-year paper through UBS and the coupon will be \$3 per cent, a trifle high for the cur-rent Swiss market.

• The World Bank, which is in the Eurodollar market with a \$250m issue, is raising Y200m with a 10-year Euroyen offer through Daiwa Europe. The coupon is indicated at 87 per

Usiminas, a. Brazilian steel group, is placing Y10bn with a 10-year private samurai bond managed by Bank of Tokyo. In the Euro Deutschemark The coupon will be 9 per cent.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bond will be published next on Tuesday March 16.

Att he hangsper next	ou record winter rec
U.S. DOLLAR	Change on
STRAIGHTS Issu	ed Bid Offer day week Yield
Anheuser Busch 164 88. 10	
APS Fin. Co. 174 86 6	
APS Fig. Co. 164 88 7	
6r. Calum. Hyd. 161, 88 . 100	
Br. Colum. Mfa. 17 97 5	
Can. Nat. Rail 145, 61 100	
Caterplilar Fin. 1672 88, 70	
CFMP 164 96 10	
CIBC 164 91 10	
Circleorp O/S 163, 88 15	
Citles Service 17 88 15	
Cons. 6othurst 174 88 9	
Oupont O/S 141, 88 40	984 987 +04 +17 14.79
Oupont O/S Cap. 0.0 90 30	
EIB 16% 91 10	
Gen. Elec. Cradn 0.0 92 40	
Gon. Elec. Credit 0.0 93 40	
GMAC 0/5 Fin. 16 84 30	
GMAC O/S Fin. 16 88 15	
Gulf States O/S 174 88 . 8	
Jopon Airlines 154 88 5	
Nat. Bk. Canada 16 288	
Nat, West 14% 91 100	
Now Brunswick 17 88 6	
New & Lab. Hy. 174 89 7	1037, 1045, +05, +05, 18.22
Ohio Edison Fin. 174 88 7	
OKG 154 87 56	
Ontario Hyd. 16 91 (N) 200	
Pac. Gas & El. 15% 89 8	
J. C. Penney Gl. 0.0 94 35	
Quobac Hydro 174 91 160	
Quobec Prov. 154 89 156	
Saskotchewen 164, 88 100	
Statisforetag 15% 87 56	
Swedon 143 88 150	
Swed. Ex. Cred. 16 93 75	
Texos Eastson 157, 88 75	
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Transcanada 16 89 100	982 99 +03 +03 18.24
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SWISS FRANC			Change on	

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Japan Air Lines 74 91	100	102	102%	0	+04	6.94	
Neder. Gesunie 8 91	100	105%	1057	0	+1	7.15	
	100	001.	991.	+04	+0%	6.71	
Nippon T. and T. 6% 92	100	98		-01	-04	7.52	
OK6 74 61		-007	1047	101	+0%		
Oslo, City of 6 91	100		104.2	-01	+0%		
Oal. Conoukraft 7 92	100	58	30-4		TOT.	7.00	
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TNT 0/S Fin. 8 81		1011	1013	+04	+072	6.83	
Transcanado Pipa. 7 94		404	104%	Ö	+012	5.97	
Unilever NV 74 93	100	144	1044	4.53		7.12	
World Bank 7 80	100 .	20,	22.	714	+15	7, 12	
World Bank B Gt	700	103%	104	+0%	+07	1.42	

YEN STRAIGHTS tasued Asian Dev. Bk. 8's 21 15 Australio 6's 88	007, 1007, D + P2 8.27
	Change on
OTHER STRAIGHTS Issued	Bld Offer day week Yield
	1974 984 0 +07 17.34
Can. Utilkles 17 98 CS 50	1947, 25 +0", +0", 17.07
CIBC 153, 88 C\$ 75	A 101 17 28
Pancanodion 189, 88 CS 65	1961, 971, 0 101, 17.23
Quebec 171 87 CS 50	11021 1031 +04 +07 16.84
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ald 34 29 96 48 577 27	units except for Yen be Change on week = Change Floating Rate Notes: Denom wise indicated. Coupen at next coupen becomes site six-month offered rate (rate) for U.S. dollars. C.yid = The current yield. Convertible Gonds: Osnomi wise indicated: Chg. dey First date for convemion Nominal amount of becurrency of share at co Prem = Percentage premius
id 34 07 23	currancy of share at co Fram Percentage premium of acquiring shores vie to price of the shares.
162 J	

ds	see the complete list of Eurobond prices which	
	Closing prices on February 25	
	SOFTE 84 89 EUA 40 78 754 0 +04 13.02	ı
•	U. Bk. Nwy. 92 90 EUA. 18 914 934 0 +04 10.95	ı
	Algomeno Bk. 10% 88 Fl 60 98% 99% +0% +1% 10.57	
	Amfee Group 124 86 Fl .40 203 1637 0 +04 11.28	ı
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	Amro Benk 12 86 Fl 60 1013 1023 +05 +05 11,35	
	Haineken NV 10 87 Fl 100 964 964 0 +04 10,85	
	Plerson 104 88 Fl 50 974 88 0 404 10.97	
	Rabobank 12 86 Ft 60 102 10212 0 +61 11.27	
	Air Franco 142 88 FFr 200 952 962 0 +02 16.84	
	6k. America 147 85 FFr 250 94, 957, 0 0 16.31	
	Charb'nages 137, 85 FFr 486 95, 96, 0 +04 15.38	
	EIB 147, 88 FFr 300 907, 917, -07, 0 18.50	
	La Redoute 144 85 FFr 125 924 935 0 +05 17.10	
	OKB 14 86 FFr 400 934 845 0 -04 15.06	
	Solvey or C. 144 86 FFr 200 954 964 0 +04 18.29	
	Swed. E. Cr. 143 85 FFr 250 943 953 404 0 16.30	
	U. Max. Sts. 14 85 FFr 150 924 934 0 0 16.92	
	Acone 14 85 £ 29 914 924 0 +04 18.87	
	Baneficial 14, 90 £ 20 854 864 +04 +04 17.40	
	BNP 134 81 £ 15 . 87 88 0 +1 16.23	
	CECA 134 88 £ 20 904 914 0 +14 15.72	
	Citicorp 0/8 13 90 E 50 91 92 0 +04 15.42	
	Fin. Ex. Crod. 134 85 £ 15 92 93 0 +14 18.37	
	Gen. Elec. Co. 124 88 £ 50 874 884 0 +14 15.49	
	Hiram Walker 14, 83 £ 25 94 95 0 +0% 16.13	
	Privathenken 142 88 E 12 91' 92's +0's +1's 15.71	
	J. Rothschild 14, 90 E 12 93% 94% 0 +1 15.46	
	Royal Trustee 14 86 C., 12 96 95 -04 +04 15.95	
	Swed. Et. Cr. 134 86 £ 20 934 944 0 +14 15.99	
	Akzo 94 87 LuxFr 500 884 894 0 +07 11.97	
	Euretom 94 88 LuxFr 535 88 89 0 +04 12.62	
•	Eurofina 10% 87 LuxFr 500 93 94 -0% +0% 12.12	
	EIB 94 88 LixFr 600 894 904 -04 +04 12.78	
	Volvo 34 87 LuxFr 500 884 894 +0% +0% 12.55	
•	FLOATING RATE	
	NOTES . Spread Bid Offer C.dta C.cpn C.yld]	
	Bank of Montreal 5% 91, 0% 39% 95% 29/4 17:06 17:17	
	6ank of Tokyo 54, 91 03, 100 1001, 16/6 134, 13.22	
	Bk. Nova Scotio 54 93 04 994 100 29/4 17.05 17.11	
	BFCE 54 88 04 994 100 26/4 15.54 18.58	

FLOATING RATE						
NOTES .	proed	Bid	Offer	C.du	C.cpn	Cyle
· Bank of Montreal 5% 9	1 0%	397	9912	29/4	17.06	17.17
Bank of Tokyo 5% 91	. 0%	100	1001	16/6	. 137	13.22
BL. Nova Scotio 54 S		994	100	29/4	17.06	17.11
BFCE 54 88				26/4	15.94	18.98
BFCE 54 87				27/7	16%	18.27
Chriotianio Bk. 61, 91			963		16	18.08
Co-Ban Eurofin 5 91		984		14/4		18.00
Oen Norake Cred. 52 8			974		13.58	
Ganfinanca 54 92 :			1001		157	15.52
Giro und Bank 54 91			997		14.06	14.12
		30.4		5/3	131	13.22
GZB 54, 92				9/5	13.31	13.48
ind. Bank Japan 54 88				29/4	77.13	17.15
Lloydo Eurofin 54 83					15.31	15.37
LTCB Japan 5- 88			700		17.06	17.08
Midland Int. Fin. 9 91						17.85
Nacional Fin. 53 88			974		17.31	17.31
Nat. Bk. Canado 54 8			1001		17.31	15.28
Not West Fin. 54 61.			994		15.19	
Nat West Fin. 54 92.	. 50%		100%		17	17.02
Nippon Credit 54 90	04		38,		15.08	76.14
Nordic Int. Fin. 52 91	. 0,		33	6/6.		15.82
Offshore Mining 54 9			38%		13	13.18
Pemex 6 91			974		17	17.55
PKbsnien 5.91		. 98%			143	14.54
Banwa Int. Fin. 54 88	. 0%		100		17%	17.29
Scotland Int. 54-92	. 01/2		967		13.94	14.13
Sac. Pacific 54 91	. 02		33,4		133	13.40
Sociato Generalo 5% B'	0.7	981			15%	15.44
Standard Chart. 54 91		381			13.31	13.50
Sumitomo Fin. 5 88	0%	99%			16	16.06
Toronto Comin'n 5% SC	5 0,7		100 .		16%	15.42
Average price chan	ges	On da	y 0 o	n wee	k +0%	
CONVERTIBLE	Cnv.				Chg.	
6 ONDS	date	price	Bid	Offer	day	Premi

Paralle Prince on			_
CONVERTIBLE SONDS Ajinomoto 54, 96	Cnv. Cnv.	Chg.	
6 ONDS	date price	Bid Offer day	P 1 1 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1
Ailnemozo 54 96	7/81 . 933	91 921, -31	0.4
Bow Valley Inv. 8 85	4/87 23.74	204 214 AA	47.1
Bridgestono Tire 54	96 3/82 470	897 917 -27	-2.4
Селол 6% 95	1/81 829	1001 1023 -3	2.6
Oolwa Secs. 52 96	12/87 513.3	†59 77 — 1	-4.80
Fujitsu Fanuc 412 96	10/81 6770	1074 109 -24	6.4
Furukawa Elec. 54 98	7/81 300	111 1121, -21, 183 90 0	-5.01
Hahson C/S Fin. 92	96 8/81 2.74	483 90 0	94.32
Hitachi Cablo 54 96	2/82 515	1004 1014 -24	0.56
Hitachi Cred. Con. 5:	36 7/B1 1773	75% 77% -1%	-0.6
Honda Motor 52 87	3/82 841	284 954 -27	-5.75
Inchesps B 95	2/21 4.55	1607 53 -03	16.75
Kewssaki 5½ 96	0/81 229	683 697 -03	
Marui 5 96	7/81 931	983 997 -24	6.70
Minolta Comom 5 96	10/81 909	66 662 -14	4,50
Minorco 94 87	5/82 6.15	934 937 -04	7.7
Murata 54 96	7/81 2190	67 681, -214	1.51
NKK 64 96	7/81 183	77, 795, -35	-18.5
Nippon Chemi-C. 5 61	10/21 919	66 68 -24	.1.08
Nippon Electric 54 97	2/87 346	974 984 -24	3.38
Orient Finance 54 97	3/82 1567	914 927 -14	5.29
Sanyo Flectric 5 96	10/81 652		4,59
Sumitomo Met. 54 98	10/81 305	684 697 -14	0.08
Swiss Bk. Cpn. 64 90	9/80 191	72 74 0	16.47
Koolahiroku B 90 DM	2/82 585	7031, 7041, 0	-1.25
Mitsubishi H. 6 88 0	M 2/82 253	971, 985, -0%	5.80
MUSCOISTI IL 6 40 0	,	.,	
B. N. JF. amadan	-waitable-ser	winus day'o nde	a.

ALLEGE SIN THE COLUMN TO THE C
No information available—pravious day'o price. † Only one morket maker supplied a price. traight Bonde: The yield is the yield to redemption of the mid-price; the smoutal issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price o week earlier. Costing first Notes: Denominated in deliam unless other- wise indicated. Coupon shown is reinimum. C. change over next coupon becomes stiective. Spread = Margin above six-month offered rate (‡ three-month; § shows open rate) for U.S. deliare. C.spn=The current coupon. C.yid=The current yield.
committe Ronde: Canominoled in dollars unless Other-
wise indicated: Cho. dev=Change on day; Cav. deta=
First date for convemion into shores. Cnv. price=

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O The Fin	oncist Time	6 Ltd., 1982.	Reproduc	tion in who

Bond queried on share price fall

THE PERTH Stock Exchange has asked Bond Corporation Holdings (BCH), the main quoted company of Mr Alan Bond, the Australian entrepreneur, if it can explain the sharp fall in its share price

over the past week.

BCH closed in Perth at
A\$1.55 a share yesterday
after trading as low as A\$1.35
in the session. Wednesday's close was A\$1.73, Tuesday's A\$1.30 and the price last week was more than A\$2. The was more than A\$2. The range in the share price last year was between A\$4.38 and A\$2 and it stood at A\$2.70 at the beginning of this year.

This drop has taken place against a background of a decline of more than one-sixth in the Australian All-Ordinaries index.

Ordinaries index.

BCH said the only res

for the sharp decline in its share price was the "com-pletely unfounded" ramours circulating on the Sydney Stock Exchange about the company's financial health. Its interim results are due soon. The company said it would meet the Perth exchange's request for a statement today. BCH, which is majority-owned by Mr Bond, has pursued an aggressive takeover strategy in recent year's in-cluding last year's A\$160m (U.S.\$10m) acquisition Swan Brewery of Perth.

Further growth at Litton **Industries**

By Our Financial Staff

LITTON INDUSTRIES, the defence electronics, office equipment, shipbuilding and industrial group, has reported a further gain in earnings for its second quarter.
Operating net profits for the period to January 31 advanced from \$74.94m to

\$84.66m on sales ahead from \$1.16m to \$1.19m. Per share profits came to \$2.07 against \$1.82 previously.

After the improved opening quarter result, net operating profits for the half year came to \$161.25m compered with \$135.85m last time, on sales of \$2.43bn compared with \$2.29bn. Per share profits were \$3.94 against \$3.31.

The latest results exclude a terpround of \$2.25m on foreign currency translations from last year's \$2.2m loss for the quarter and a gain loss of \$1.8m for the half

ITT hopeful despite tough year

By Our New York Staff

BARNINGS OF International Telephone and Telegraph, the U.S. telecommunications the U.S. telecommunications conglomerate, fell by about 16 per cent in 1981. But this includes some extraordinary gains and charges. Stripped of these, the underlying operating income rose a modest 4 per cent.

Mr Rand Araskog, the chairman, said the last two years had been difficult, and the outlook was still not

the outlook was still not encouraging. "But we look forward to a gradual recovery and believe we are positioned to capitalise on any apswing in world economies."

Total earnings for 1981 were \$676.8m, er \$4.58 a share, down from \$755.4m or \$1.50 and \$1.50 an \$5.16 2 share in 1980. Excluding special items carmings were \$634.6m, up from \$658.4m.

In the final quarter PTT earned \$247.2m, down slightly from \$250.1m the year before.

N. AMERICAN QUARTERLIES

-	LOTTED GREETING	-	•
Z.	Revenue	455.2の	450.8m
2	Net profits	46.1m	34.97
5	Get Minig	1.53	1.17
5. 5	Nat per shalo	1.53	1.17
=	Year	120	
9	Ravenue	1.9bn	1.75bn
1	Net profits	181.Ban	170.4m
0	for per share ,	5.04	5.71
8			
ġ.	MESTVACII CORPN.	-	
ĭ			
		1981-82	1380-81
3	First granter	5	\$
8	Revenue	342.6m	362.3m
368	Revenue	B.32m	
9	Mar biolica'	0.32	0.77
9	Net per chars		0.77
	WHITE CONSOLIDATE		
5	- ABUILE COMPONING		
7		1981	1990
5	Fourth quarter	S	S
5	Eddin draw	432.0m	497 Bm
•	Net profes		
	Net profits		20.8m
	Not per shore	0.43	1.48
-1			
	Year	0.476-	
•	Ravenna		2.05bn
1	Net profits	62.0 m	57.Om
	Not per share	4.34	3,94
- 1			
. i	UMC INOUSTRIES.		
,		1581	1980
		3	
•	Fourth quarter		\$
١.	Revenue	85.0m	79.9m
	-Mathamatica	2.4m	4.5m
٠.	Nat per share		0.74
		0.39	30.74
	Year	0.39	
	Year	9.1m	10.6m
,	Year Net profits	0.39	10.6m
1	Year Net profits Net per share	9.1m	
	Year Net profits	9.1m	10.6m
	Year Net profits Net per share	9.1m 1.49	10.6m 1.74
	Year Net profits Net profits Wexper share	9.1m 1.49	10.6m 1.74
	Year Net profits Net per share WENDY'S MINE. Fourth custer	9.1m 1.49	10.6m 1.74 1960
	Year Net profits Net per share WENDY'S MINE. Fourth custer	9.1m 1.49 1981 \$ 137.7m	10.6m 1.74 1960 \$ 96.4m
	Year Net profits Net per share WENDY'S MINL Fourth quarter fireboug	9.1m 1.49 1981 \$ 137.7m	10.6m 1.74 1960 \$ 96.4m
	Year Net profits Net per share WENDY'S MINE Fourth quarter flevenus Net profits	9.1m 1.49 1981 \$ 137.7m 9.45m	10.6m 1.74 1960 \$ 96.4m 7.94m
	Year Net profits	9.1m 1.49 1981 \$ 137.7m	10.6m 1.74 1960 \$ 96.4m
	Year Net profits	9.1m 1.49 1981 \$ 137.7m 9.45m 0.37	10.6m 1.74 1980 \$ 96.4m 7.94m 0.34
, , , , , , , , , , , , , , , , , , , ,	Year Net profits	9.1m 1.49 1981 \$ 137.7m 9.45m 0.37	10.6m 1.74 1980 \$ 96.4m 7.94m 0.34
, , , , , , , , , , , , , , , , , , , ,	Year Net profits	9.1m 1.49 1981 \$ 137.7m 9.45m 0.37	10.6m 1.74 1980 \$ 96.4m 7.94m 0.34
	Year Net profits	9.1m 1.49 1981 \$ 137.7m 9.45m 0.37 480.4m 36.85m	10.6m 1.74 1980 \$ 96.4m 7.94m 0.34

Mannesmann acquires full control of computer group

MANNESMANN. THE West culties in recent years with part of a major venture with German steel pipe-making and losses of DM 14.8m in the year Robert Bosch. Mannesmann engineering group, has taken a to last March and double that also acquired Tally, the U.S. further step in its policy of figure expected for this year. manufacturer of computer diversification with the 100 per cent acquisition of Klenzle Apparate, the loss-making computer and electronics company based in the Black Forest.

Mannesmann acquired 50 per cent of Kienzie last February

for a price in Mannesmann shares of around DM 100m (\$42m). The purchase of the remainder, which was approved by the Mannesmann supervisory board on Wednesday, will cost the Duesseldorf concern sbout half as much, seconding to Herr Egon Overbeck, Mannesmann's chief executive. With sales of around DM 900m and a workforce of

8,600. Kienzle Apparate has per ceot of AEG Telefunkens in some need of a been suffering increasing diffitelecommunications division as injection of funds.

Although Mannesmann last printers.

year saw a marked improvement in its steel pipe business, and expects to announce higher earnings for 1981 than the DM 140m in 1980, the group has been concerned at the tight profit margins and market vulnerability of its traditional business and bas been aggressive in its diversification into electronics.

Last year, Mannesmann bought a majority stake in sidiary

The complete acquisition of Kienzle, Herr Overbeck said, would bring Mannesmann from the periphery to the beart of data processing and fit in with other Mannesmann activities in information area. Kienzle has two divisions. data processing systems and small specialised machines small specialised machines such as techographs and taxi-

Hartmann und Braun, a sub- felt the need to update and sidiary of AEG-Telefunken expand its data processing involved in the manufacture of business but, with share capital measuring equipment, and 20 of only DM 90m, clearly stood per ceot of AEG Telefunkens in some need of an additional

PUK to boost capital spending

BY DAVID WHITE IN PARIS

IN A bid to develop its profit centres Pechiney Ugine Kuhl-mann (PUK), the newly nationalised French metals and chemicals concern, is to step up its investment effort this

It confirmed that group results last year showed a loss of FFr 1.75bn (\$290m) after a FFr 607m profit in 1980, on sales that rose 8 per cent to FFr 41bn.

Capital spending this year will show a "marked increase" last year's figure of FFr 2.7bn, the company said. Plans ioclude a second aluminium electrolysis unit at foreign subsidiaries 26 per cent. Tomago in New South Wales,

At the same time, the com-pany said it would seek to FFr 137m from FFr 325m in develop its role as supplier of specialised meterials for FFr 441m worth of credits to Under a recent agreement with Aciers. Hercules of the U.S. to form This a joint company under French control, it plans to set np a carbon fibres plant in France.

top exporters and represents the biggest French presence in the U.S. made 57 per cent of its 1981 sales ontode France. Of these, exports from French plants accounted for 31 per cent of turnover, and sales of

advanced technology industries. its special steel unit, Ugine

This unit, which had a turnover of FFr 2.66bn last year, will no longer be consolidated in PUK's results following s PUK, which is one of France's recent agreement with the op exporters and represents the Sacilor steel group—also nationalised—giving the latter a majority stake.

The company calculate the net value of its shares at FFr 151 apiece, compared with the FFr 124.45 price offered as the foreign subsidiaries 26 per cent. basis for compensation by the PUK parent company profit state for PUK shares.

Strong rise in trade bill financing lifts Eurobraz

BY WILLIAM HALL, BANKING CORRESPONDENT

EUROBRAZ, the London con- managing director, said the sortium bank, increased its pre- strong performance reflected tax profits in 1981 by 144 per cent to £16.12m (\$29.4m). It is the latest in a string of Latin mantly Latin American business American-orientated banks to and a particularly big growth in report a strong performance. Part of the growth reflected the decline in sterling against the dollar last year, but even in dollar terms the bank nearly doubled its profits in the year

to end-December. The bank's balance sheet total rose by 97 per cent to £816.8m, and loans more than doubled to £635.7m. In dollar terms, the balance sheet grew by 57 per

high interest rates, good margins on the bank's predomithe bank had participated in a lot of "club deals" and bad undertaken a lot of export financing. The bank's share capital and

reserves grew by 37 per cent to £29m last year and subordinated loans rose by 50 per cent to £15.7m.

cent and loans by 63 per cent. trebled at £7.83m and this was
Mr Frank Groll, Eurobraz's taken to reserves.

International Commercial Bank ahead

By Our Banking Correspondent

INTERNATIONAL Commercial Bank, a London consortium bank, increased its pre-tax by 13.7 per cent to £8.47m (\$15.5m) in 1981. The bank says that whereas 1980 profits bad included net writebacks of earlier provisions, the 1981 profits were struck after specific provisions and a general provision against possible loan

Eartier this month the shareholders subscribed £5m of new equity capital and a further £10m of subordinated debt, After tax profits were nearly which increased shareholder trebled at £7.83m and this was funds to £38.95m and funds to £38.95m and subordinated debt to £17.5m.

Suisse holds steady

By John Wicks in Zurich

NET PROFITS of Credit Suisse dropped to SwFr 276m (\$147.6m) last year, a 1.8 per cent decline from the record SwFr 21Sm (\$150,2m) booked

for 1980. The bank, Switzerland's third biggest, showed a 6 per cent increase in gross earnings to SwFr 469m but raised its depreciation and provisions total by SwFr 34m to SwFr 193m "in the light of higher domestic and foreign

At its Morch 26 general meeting, the board is to recommend payment of unchanged dividends of SwFr 80 per bearer share and SwFr 16 per registered share on colitled capital of SwFr 1.31bn.

Before this payment, however, there is to be a distribution of a stock dividend in the form of participation certificates of a newly-formed com-pany. CS Holding. These certificates will have nominal values of SwFr 50 and SwFr 10 and be issued on a one-for-one basis against each bearer and registered share of the bank respectively.

CS Holding will in future act as a holding company for credit Suisse's participation in Financiere Credit Susse-Frist Boston and for 5,000 shares held by the bank in trowait.

Net income of CS Holdings will be paid to holders of the new participation certificates as divideod, the first such payment expected by the bank to be 5 per cent.

At the same time, Credit Suisse announces plans to issue a SwFr 300m warrant loan. Worrant bonds of SwFr 1,000 and SwFr 200 nominal value respectively, will be offered to holders of every 10 bearer and registered shares. To guarantee this issue, the hank is to increase its share capital by SwFr 15001 to SwFr 1.65bn by the issue of 248,200 new bearer shares of SwFr 500 nominal value and 259,000 new registered shares of SwFr 100 nominal value, without drawing rights.

The balance sheet total of the baok increased last year by 15.9 per cent to SwFr 73.6bn (\$39.3bn), due partly to the inclusion for the first time of precious-metal accounts.

The bank also announced yesterday that as from April 1, Mr Rainer Gut, currentl spokesman of the management, will become manage-ment chairman.

Republic of Indonesia

acting by and through its

Minister of Finance

Buyer Credit Facilities to the values of up to US\$130 million and up to £58 million

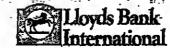
Financing for contracts entered into for the Balikpapan Oil Refinery expansion between Pertamina

and Bechtel Great Britain Limited

as providers of total engineering services together with other UK suppliers of plant and equipment

and Provided by Lloyds Bank International Limited

and with the payment and financing guarantees of **Export Credits Guarantee Department**





Multibanco Comermex, S.A.

(A private banking institution incorporated with limited liability in the United Mexican States)

Floating Rate Subordinated Notes Due 1992

The following have agreed to subscribe or procure subscribers for the Notes: National Bank of Abu Dhabi

Abu Dhabi International Bank Inc.

Arab Banking Corporation (ABC)

Arab Latin American Bank - ARLABANK

Bankers Trust International Limited

Gulf International Bank B.S.C.

Lehman Brothers Kuhn Loeb International, Inc.

Manufacturers Hanover Limited

Nordic Bank Limited

Svenska Handelsbanken

Union de Banques Arabes et Françaises - U.B.A.F. The issue price of the Notes is 100 per cent. The Notes have been admitted to the Official List by the Council of

The Stock Exchange, subject only to the issue of the Notes. Interest is payable semi-annually in March and September, the first payment being made in September 1982. Full particulars of Multibanco Comermex, S.A. and the Notes are available in the Extel Statistical Service and may be obtained during usual business hours up to and including 12th March, 1982 from the brokers to the issue:

Cazenove & Co., 12 Tokenhouse Yard,

26th February, 1982

This advertisement complies with the requirements of the Council of The Stock Exchange.

February 26, 1982



Oesterreichische Kontrollbank Aktiengesellschaft

(Incorporated with limited liability in the Republic of Austria)

U.S.\$ 100,000,000 **Guaranteed Floating Rate Deposit Notes 1987**

U.S.\$60,000,000 of which are being issued as the Initial Tranche

Guaranteed as to payment of principal, purchase money and interest by the

Republic of Austria

Orion Royal Bank Limited

European Banking Company Limited

Manufacturers Hanover Limited

The Notes constituting the above Issue have been admitted to the Official List by the Council of The Stock Exchange subject only to the issue of the Notes.

Particulars of the Notes are available in the Extel Statistical Service and may be obtained during usual business hours up to and including March 10, 1982 from:

> Orion Royal Bank Limited, 1 London Wall, London EC2Y 5JX

12 Tokenhouse Yard, London EC2R 7AN

NEW ISSUE

The Debentures have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States of America, its territories or possessions or to nationals or residents thereof.

These Debentures having been sold, this announcement appears as a matter of record only.

U.S. \$25,000,000

APS Finance Company N.V. (Incorporated with limited liability in the Netherlands Antilles)

16% Guaranteed Debentures Due 1989

Unconditionally guaranteed as to payment of principal, premium, if any, and interest by

Arizona Public Service Company (Incorporated in Arizona)

Credit Suisse First Boston Limited

Banque Nationale de Paris

County Bank Limited

Crédit Lyonnais

Deutsche Bank Aktiengesellschaft

Kidder, Peabody International Limited

Kleinwort, Benson Limited

Kredietbank International Group

Dean Witter Reynolds Overseas Ltd.

Svenska Handelsbanken Union Bank of Switzerland (Securities) Limited

Swiss Bank Corporation International Limited

U.S. \$25,000,000



Bergen Bank A/S

Floating Rate Capital Notes Due 1989

In accordance with the provisions of the Notes, notice is hereby given that for the three month Interest Period from 26th February, 1982 to 28th May, 1982 the Notes will carry an Interest Rate of 151% per annum. The relevant Interest Payment Date will be 28th May, 1982 and the Coupon Amount per U.S. S1,000 will be U.S. \$38.55.

> Credit Suisse First Boston Limited Agent Bank

U.S. \$100,000,000



Manufacturers Hanover Overseas Capital Corporation

Guaranteed Floating Rate Notes Due 1994

In accordance with the provisions of the Notes, notice is hereby given that for the Interest Period from 26th February, 1982 to 28th May, 1982 the Notes will carry an Interest Rate of 153% per annum. The relevant Interest Payment Date will be 28th May, 1982 and the Coupon Amount per U.S. \$1,000 will be U.S. \$38.23.

Credit Suisse First Boston Limited

INTERNATIONAL COMPANIES and FINANCE

Financial Timos Manday Total

Kevin Done in Frankfurt and (below) Terry Dodsworth in Paris examine the complex. background to an important Franco-German agreement

Roussel-Uclaf keeps lifeline to Hoechst

Hoechst of West Germany and several days so that it could the French Government over victory for German determination and French pragmatism.

Hoechst is the world pharmaceuticals leader, ahead of groups such as Bayer, Roche, Ciba-Gelgy and American Home Products. In 13 years of growing co-operation Hoechst and Roussel have pooled research and development activities to produce some of the most successful new drugs of the last

Hoechst has fought French nationalisation plans with stubborn determination, backed by the Federal Government in Bonn. The West German Government was not directly involved in negotia-tions, but the fact that announcement of the deal struck

DEAL struck between with Paris was delayed for coincide with the visit by Herr the future ownership of Roussel-Uclaf—the French pharma-ceuticals unit of Hoechst—the importance attached to the appears to be an outright issue by West German political issue by West German political

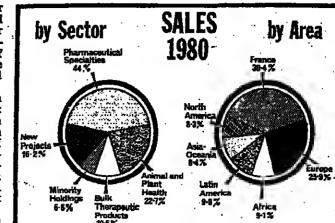
> Members of the French Government, including M Jack Ralite, the Communist Health Minister, had campaigned for a 100 per cent nationalisation of tion's opening gambit in negotiations was to insist on at least majority control. But the final outcome leaves Hoechst with at least 51 per cent control.
>
> It has had to cede half of the

> seats on the supervisory board and the chairmanship to the French state, but its rearguard action has plainly been a success, a tribute at least in part to the impressive performance of the deliverse ance of the joint venture since

According to Dr Hansgeorg Gareis, head of Hoechst's world-wide pharmaceuticals operations, the German company set out from the start to maintain the independent identity of

In many of the world's leading drug markets, the two comparties are still represented separately, in Japan and Italy, selling their own products or the products of joint research under their own names. There are important exceptions, however, particularly in the U.S. where the two operate a joint venture Hoechst Roussel Phar-

Of the 250 ethical drugs



Operational breakdown of Roussel-Uclai

around the world between 25 last year and now on sale in all and 30 per cent come from Roussel itself.

The attraction for Hoechst originally in the Roussel acqui-sition was to gain access to areas of drugs research in which it had had little success, such as steroids, but the major gain has in fact come from areas where the two companies have launched joint research.
"We decided to combine the

conservatism of the Germans with the imagination and fantasy of the French," says Dr Gareis, concentrating on two areas, in which both companies were virtually unrepresentedpsychotropic agents, such as tranquilisers, and cephalosporin

The biggest success of the joint venture research launched in 1969 is the new generation antibiotic Claforan, launched worldwide sales organisation, reflected by the fact that 65 per cent of the French company's sales came last year from foreign markets. That was a performance that has not been lost on the French Government.

Worldwide Hoechst employs around 36,000 people in its pharmacenticals activities, of whom 3,800 are in R&D. 17.500 in production and 14,700 in sales. Its total drugs turnover of DM 6.2bn in 1981 accounted for 17 per cent of group sales, but it is thought that this one division contributes between 40 and 50 per cent of group profits.

Spending oo pharmaceuticals R&D is expected to rise to DM 620m this year—one-third at Roussel—accounting for around 50 per cent of Hoechst's total research budget of DM 1.2bn.

Hoechst aims to double drugs sales to around DM 7.26n by 1989. By that year new product innovations providing as much as 29 per cent of projected turnover. Of forecast drugs sales of DM 4.86bn in 1983, about 14 per cent are expected to come from products not on the market at

search and development for Major boosts to sales are new chemically-related areas of antibiotics research involving expected not only from new ways of delivering the Claforan, but also from a group drugs orally rather than by inan anti-rheumatic, a diuretic Roussel's research-intensive drug, a cardiovascular agent and agro-chemicals activities also a beta-blocker. New research products could be contributing R&D expertise in this field. an extra DM 700m to sales by But in return the German 1983 and around DM 2bn by

An outstanding example of French flair

THE RECENT nationalisation saga over Roussel-Uclaf is rather like a re-run of the events that took the company out of French control in the first place in 1974.

Until the early 1970s, Roussel had been one of the most outstanding examples of post-war French enterprise, built up by a vigorous indus-trialist, M Jean-Claude trialist, M Jean-Claude Roussel, who turned a small family concern into an international force. M Roussel's death, in an air crash in 1972, provoked a crisis. The family had to sell

shares to pay for the huge death duties on his industrial empire. Hoechst, already ; partner, moved in and bought up majority control, despite a prolonged effort by the French Government to

block the deal and integrate the company with Rhone-Poulenc's pharmaceuticals division.

The Socialist victory revived the argument for reconstructing the French pharmaceuticals sector, with Roussel forming a part of this reorganisation after heing nationalised. M Jack Ralite, the Communist Minister of Health, strongly supported this approach. But in the end the Government preferred a pragmatic solution, leaving the group, within the orbit of Hoechst in the interests of maintaining a healthily work-

mantahing a healthly welling operation.

This deal was convenient
parity because France now
has two other pharmaceuticals companies, Rhone
Poulenc and Sanofi, the Eif

Aquitaine subsidiary, that are healthy and expanding on a world scale. At the same time, Roussel

all the major drug markets of

Europe, tha U.S. and Japan. Sales of this drug alone are ex-

pected to total DM 250m-300m

(\$105m-127m) this year as Hoechst and Roussel try to

capitalise on the lead they have

managed to achieve in this area, ahead of Eli Lilly of the U.S.

The next steps of the joint research effort will take the two companies further into re-

offered Hoechst access to new

and Takeda of Japan.

has grown substantially under Hoechst's tutelage, with sales increasing from FFr 2.8bn in 1974 to FFr 6.5bn (\$1.1bn) last year, and investments rising from FFr 130m to FFr 300m, the Government is clearly intent at the moment on limiting the cost of its nationalisation programme, which was pushed up sharply by the Constitutional Council de-cision demanding better treatment for shareholders. It is not yet known how

the Government will step np its stake from the current 20 per cent held by state institutions to a blocking minority of a little more than 33 per cent. But the possible mixture of buying in the open market and from Hoechst will be infinitely cheaper than bidding for the

While the French Government has hinted that it might eventually raise its cent, this seems to be inspired more by the need to mollify its own troops than by a real intention. The blocking minority it intends to take will give the state a fair degree of infloence over the future development of the company. In addition the equal division of board representation, with a French chairman, will add to the public cosmetics necessary to pass the deal off as a reasonable solution.

Siemens in marketing deal with Xerox

By Kevin Done in Frankfurt

SIEMENS, the West German electrical and electronics group, has signed an agreement with Xerox of the U.S. covering the exchange of certain products to strengthen its range of office

information equipment.

Siemens aims to combine the
Xerox-developed Ethernet and Xerox-developed Ethernet and System 8000 office equipment with its own range of private communication networks and office systems. It has acquired rights from Xerox to market this equipment in West Germany, Switzerland and Austria independently of Rank Xerox's own sales activities. own sales activities.

Ethernet offers a high-speed.
local coaxial "bus network"

for connecting up to 1,000 work-places, while System 8000 in-volves an integrated office vorkplace for documentation for handling text and graphics. Siemens had a turnover last year of DM 34.6bn (\$14.6bn) of which around DM 10.4bn was derived from communications activities. Of this, about 20 per cent is estimated to have come from sales of office information

RWE plans to raise capital

By Our Financial Staff RWE, the West German utility.

equipment

will raise its capital in the foreseeable. future, probably during 1983.

Herr Friedhe Gieske, managing board member, told the annual meeting that an injection of fresh capital was needed to improve the company's capital structure. RWE has a capital of DM 1.8bn (\$762m). Last month net profits of

DM 486m for the year ended June 1981 were announced. For this year profits are expected to be satisfactory. Sales of elec-tricity rose by 2.2 per cent in the first seven months of 1981-



BANQUE NATIONALE DE PARIS

General" of Banque Nationale de Paris, has confirmed Mr Garard Lleweilyn in his former position.

Steel losses hit SKF earnings

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN GOTHENBURG

A LOSS of SKr 119m on its Group sales rose by 8.5 per tries where it has its main steel operation depressed earn-cent in 1981 to SKr 13.57bn operations. By that standard ings at Sweden's SKF group (\$2.38bn), rolling bearings the return was about 3 per 805m (\$141m) last year Bush 805m (\$141m) last year. Profits on the main rolling bearing business rose to SKr 851m from SKr 829m.

SKF had predicted a "moderate" profit decline in the 1980 annual report. Earnings per share fell from SKr 25.80 to SKr 19.20.

The board proposes an un-changed dividend of SKr 7 a share on the A and B shares while the new C stock will re-ceive its guaranteed SKr 12 a

In addition, to mark the company's 75th anniversary, a bonus of SKr 1 a share is to be paid on the A and B shares, making a total dividend pay-ment of SKr 187m against SKr 126m in 1980. A one-for-four itself a target of 3 percentage scrip issue covering all categories of shares is also planned. of the inflation rates in coun-

cent increase. Special steel turn-over dropped by 1 per cent and sales of tools fell by 2 per cent.

The plunge from a SKr 20m profit to a SKr 119m loss on the steel business is attributed to a saturated market which forced SKF to make price concessions. Groop income was further reduced by losses oo the British subsidiaries and on the castings and textile machinery compo-nent business.

Trading income slipped from SKr 1.85bn to SKr 1.72bn. There was a slight fail in the sales volume and rising costs could not be fully covered.

The return on total assets employed dropped from 11 per cent to 9.7 per cent. SKF sets itself a target of 3 percentage

and 1981. The recovery appears to have

been less than expected. Pros-

pects for 1982 are described as

good but the degree of change "depends largly on when the upturn comes," the group says. : Capital expenditure increased from SKr 492m to SKr 622m, equivalent to 53 per cent of the self-financing resources generested during the year. Net

financial charges rose only mar-

ginally, to SKr 449m. After adjusting for currency translations, SKF shows a group pre-tax profit of SKr 833m for 1981, only SKr 22m below the 1980 figure. By taking SKr 150m from the parent company's inventory reserve, a net income of SKr 567m is shown, against

This announcement appears as a matter of record only.



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US \$30,000,000

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from 26th February, 1982 to 28th May, 1982 the Notes

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1982 the Notes will earry an interest rate of 15 % % per annum. The interest payable on the relevant interest payment dele-Auguel 31, 1982 egainst Coupon No. 2 will be US\$820.21.

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Hampshire.

Fall for Bridgestone and Yokohama tyre groups

BRIDGESTONE TYRE, Japan's BRIDGESTONE TYRE, Japan's The company's operating company's operating profits are leading tyre company, which is buying a Tennessee, U.S. tyre plaot from Firestone Tire, bas to 12 per cent level hecause of expected 10 rise 43 per cent to plant from Firestone Tire, has to 12 per cent level necause of expected to line and sharp setback in declining sales volume and Y20hn on expected sales of Y20hn on expected sales of Price cuts.

The yen's appreciation with yen's appreciation for the country's second largest tyre maker, and which is 20 per cent owned by B. F. Goodrich of the U.S.

profits slid by 30 per cent to In the current fiscal year, reported a haiving or its uncour-Y32.45bn (\$138m). Consolidated Bridgestone has changed its solidated net income to Y731m net profits were Y14.18bn, down policy from the past aggressive

Exports rose 10 per cent, fiscal year will be cut by 43.5 mostly because of increased per cent to Y22bn. Most of the sales in the U.S. while Middle capital outlay is designated for East markets began to slacken in the second half.

42 per cent from the previous eapacity expansion to the from Y7.61.

Year. Per share profits were improvement of cost competities ales in Y29:85, competed with Y56.7.

The profit is a part of the previous eapacity expansion to the from Y7.61.

Its sales in tiveness in order to cope with to Y208.68bit. 29:85, compared with Y56.7. tiveness in order to cope with Domestic sales declined 5 per structural change in the tyre cent to account for 67 per cent market such as heavy competion the total. Demand for tion in replacement tyre replacement tyres began a stow markets and sluggish growth in recovery but this was offset by new tyre demand. As a result, price cutting by manufacturers. the capital outlay in the current

operating profitability.

by B. F. Goodrich of the U.S.

er cent to In the current fiscal year, reported a halving of its uncome

collidated not income to Y731n from Yt.46bn, or Y3.82 a share

Its sales increased marginally to Y208.68bn from Y207.73bn although exports increased by 9.5 per cent to Y57.78bn, or 28 per cent of sales.

Yokohama is forecasting a rapid recovery this year when it expects to double its net income to Yt.5bn with only Y300m of this being earned in the first half. It expects sales for the year to rise by 5.4 per ceot to Y220bn.

Interim rise for Mayne Nickless

By Our Sydney Correspondent

MAYNE NICKLESS, the Australian transport group, has achieved another big lift in interim earnings, boosting profit 25 per cent from A\$10.9m to A\$13.6m (U.S.\$14.7m) in the six months to December 31.

The interim dividend has been held at 6.5 cents a share on earnings up from 17 cents to 21 cents a share. Turnover for the six months rose by 26 per cent from A\$228m to A8287m. The grnwth caote despite industrial disruption.

Expanding overseas sub-sidiaries helped results, expecially the Loomis group in North America.

Directors said the Loomis

operations provided a sound hase from which to develop the company's presence in the U.S., Canada and Mexico. The inle-gration of Lyon Van Lines and World Wide Shipping Services, acquired last financial year, have also been completed.

Directors said on the basis of current trading conditions and in the absence of significant industrial disruptions, they expected the company would achieve a satisfactory result for the full year.

Rethmans of Singapore ahead

By Georgie Lee in Singapore

ROTHMANS INDUSTRIES, the Singapore arm of the international eigarette group, has reported sharp growth in interim pre-tax profits to S\$13.69m U.S.\$6.5m) on sales ahead 19 S\$72.22m cent to (U.S.\$34.2m).

The company was formed last mans of Pall Mall (Singapore). an unlisted unli of Rothmans of

Pall Mall (Malaysia). Rothmans Industries has per formed strongly on the Singa-pore and Kuala Lumpur stock exchanges since its debut in January. The introductory document forecast that the com-pany's pre-tax profits for the year ending Junc, would not be less than the predecessor com-pany's S\$16.8m.

It will not pay an interim dividend but as promised in the launch prospectus will pay a final gross divideod of not less than 10 per cent or its equivalent if the company receives approval for its previously proposed three-for-one scrip

Rothmans Industries and its Maicysian sister compeny are hoth 50 per cent owned Rothmans International of

Doutsche Bank

Sapporo and Asahi breweries show gains

By Our Tokyo Correspondent SAPPORO BREWERIES and

Asahi Breweries, the second and third largest Japanese heer makers have reported improved operating profits for the year ended December 31. Sapporo increased its salcs

by 19.5 per cent to Y330bn (\$1.4bn) and its operating profit by 35 per cent to Y9bn (\$38m) on the strength of in-creases in the sales volume of hoth alcoholic and non-alcoholie products.

Asabi suffered e decline in the volume of its beer sales but reported a rise in sales revenue of 7.1 per cent to Y198bn because of price increases. Asabi's operating profit rose 5.7 per cent to Y194bn bet its pet profit uses Y3.4bn bnt its net profit was down 14 per cent to YL3bn. The contrasting trend of

operating and net profits resulted from the need 10 pay additional retirement allow-ances to redundant workers. The workers were displaced

by the introduction of com-puters and other modern equipment. About 400 workers funed jobs in Asahi's subsidiaries or other companies last year. Asahi suffered a decline in

the volume of almost all its liquor sales, except for draft heer, which rose 30 per cent reflecting the company's ploneering role in this area. Sapporo's beer sales benefited from the Introduction of a new two-litre alumining harrel. Its soft drink sales rose 17 per ceot on the

Sapporo expects a further 9 per cent increase in sales to Y360bn during 1982 and a 3 per cent rise in profits to Y9.3hn. Asahi has set its 1982 sales target at Y215bn, up S.5 per cent.

strength of a oew fresh orange

Import pressures bring Sumitomo Chemical loss

BY OUR TOKYO STAFF

SUMITOMO CHEMICAL, one of muneration for most Japanese much of the year further raised japan's leading integrated companies, were suspended in the year denominated costs of chemical manufacturers, has reported an operating loss of results. chemical manufacturers, has reported an operating loss of results.

Y2.8hn (\$12m) for 1981 as a Sumitomo's petrochemical take 8.9 per cent of total eales, and import pressure in its petrochemical division, which accounts for 70 and industrial chemical sales are cent of the company's total fell 7.7 per cent to take a 54.1 sales, was hit by a variety of per cent ahare. Sales of plas-

Sumitomo's sales were down problems, including slack demand and high raw material year's level to Y640.3bn (\$2.7bn). The company manferring funds from a special depreciation reserve.

bonus payments to all members levels. of the Sumitomo Board, a normal component of annual reagainst the U.S. dollar during

BY OUR SYDNEY CORRESPONDENT

retailer, weathered strong com-

petition and industrial trouble

10 January 27.

of 11.35 per cent,

to increase its profil in the year-

Sales rose 15.4 per cent from A\$2,27hn to A\$2.62bn (US\$ 2.82bn) and net profit

showed a 14.24 per cent im-provement from A\$39.9m to A\$45.6m (US\$ 49.1m).

Bul the results provide fur-

ther evidence that the retailers

did not enjoy the customary

boom in Christmas trading as

efter a 20 per cent profit increase in the first half there

was a slowdown to profit growth .

The final dividend proposal

for 1981-82 has been lifted from

9 cents to 9.5 cents a share, for a total of 14 cents against 13.5

cents. The higher divideod is

covered by earnings up from stores.

Woolworths up by 14%

after slower second half

WOOLWORTH'S, the Australian 27.39 cents to 27.63 cents

and import pressure in its petro-chemical division.

per cent of the company's total sales, was hit by a variety of

aged to record a cet profit of its main feedstock and imports Y2.3bo, down 75 per cect, by from the U.S. of petrochemical selling securities and by transproducts produced from cheaper products produced from cheaper natural gas feedstock cut into depreciation reserve. the company's sales and forced the dividend was reduced it to reduce the operation of its plant below break even

The tax charge went up from A\$32m to A\$39m while interest paid climbed from A\$4.9m to

ASSm. The surplus on the sale

of properties dropped from A\$726,000 to A\$20,000.

Net profit as percentage of turnover was virtually un-changed a 1.81 per cent although

operating margins improved.

The directors said the com-

per cent to 863.000 square

metres through the addition.

mainly from lake-overs, of 54

during the year."

fics and synthetic rubber fell 5.6 per cent to a 20.7 per cent share. The only bright spot was pharmaceuticals, where sales

rose by 25 per cent. Sumitomo hopes to cover raw materiel costs with price increases in 1982 and aims 10 raise sales to Y670bo, slightly below the 1980 figure. The company forecasts operating profits of Y10bn and net profits of Y5bn to Y6bo. The 1982 divi-

dend should be restored to Y4. Australian car group cuts loss sharply

By Our Sydney Correspondent

AUSTRALIAN MOTOR Industries, majority owned by Toyota Motor of Japan, is expected to return 10 the black in the current year, after reduc-ing its losses to A\$609.000 (US\$655.000) in the first half

from A\$7m a year earlier.
The company said it had responded to the challenge of the 85 per cent local-content rules and was optimistic ebout an early return to profit.

pany performed well in the face of the 'highly competitive nature of the retail industry and the adverse effects of recurring AMI provided the first shockwaves for the local industry last year when it dropped A\$9.5m into the red for the national industrial disruption year ended June, laying the blame on the Federal Govern-Woolworth, unconnected with automotive industry other similarly named groups. hoosted its trading space by 7.2 policies.

The company, which assembles and distributes Toyota vehicles, held its interim dividend at 2 cents a share.

Argus to reduce links with SAAN

JOHANNESBURG—Moves to separate the affairs of South Africa's two English-language newspeper groups bave been announced after a Government commission said their present relationship was close to a monopoly.

Argus Printing and Publishing Company said vesterday it was withdrawing its two members from the nine-man board of South African Associated Newspapers: Argus said It was also giving up voting rights for its 39 per cent share-holding in SAAN, except on financial matter directly financiel matters directly affecting its Argus investment. financiel Argus and SAAN together control all but three of South Africa's more than 20 Englishlanguage newspapers. Mr Laytoo Slater, the Argus chairman, said the market value of Argus's holding in SAAN was about R15m

(\$15.7m). An investigative commission proposed three weeks ago that Argus be forced to give up its SAAN holding, and that other steps be taken to ensure diverse ownership of news-

pepers.
Mr Stater said Argus bought its SAAN shares more than 10 years ago when joint printing operations were considered. He said joint printing did not take place, partly because of editorial and commercial rivalry between the two newspaper groups.

holding Argus's increased about six years ago to thwart a take-over bld. "We have never controlled SAAN policy and we never want 10 do so." Mr Slater sald. Argus was relinquishing all

except on such matters as take-over bids or disposing of SAAN assets. Argus would retain its iovestment in SAAN,



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Floating Rate Notes 1990/1995

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INTERNATIONAL WINE & SPIRIT TRADE FAIR OLYMPIA, LONDON 1-4 JUNE 1982.

Dollar firmer

of the EMS at the Amstordam fixing, but lost ground to the des 91.2, against 91.0 at acon. 1.2 in the morning, 90.3 at the revious close, and 91.3 aix nonths ago. Three-month interiors index 54.9 against 55.1 on Wednesday index 91.2, against 91.0 at acon. 91.2 in the morning, 90.3 at tho prerious close, and 91.3 aix months ago. Three month intermonths ago. Three-month interhank 14% per cent (1331 per cent six months, ago). Annual inflation 12 per cent (unchanged from previous month) — Tho pound opened at \$1.8315-1.8325, and fell to a low of \$1.8250-1.8260, before improving to \$1.8340-1.8350, and closing at \$1.8340-1.8350, and \$1.8340-1.8350,

Dollar was slightly firmer in fairly quiet foreign exchange trading, but finished near its lowest levels of the day. Shortterm Eurodollar rates shawed a firmor trend, but longer periods were little changed.

Sterling was stronger overall, improving against the dollar, and Europoan currencieo.

The Danish krone was again the strongest member of the Europoan Monelary System, followed by the Belgian franc. and the Duttb guider.

DOLLAR — Trate-weighted index (Bank of England) 112-9 against 112-5 on Wednesday, and 112-4 six months ago. Threemooth Treasury bills 12.65 per cent (9.6 por cent six months ago. Threemonth 112-5 on Wednesday, and 112-5 on Wednesday. The dollar rose to DM 2.3685 from DM 2.3685 from DM 2.3680 and sterling rose in DM 4.3440 from DM 4.32 at the fixing. DUTCH GUILDER — EMS membor (third strongest). Trade weighted index 114.4 against 114.2 nn Wednesday. and 107.0 six months ago. Three-month from Fr 6.03 against the French franc; to SwFr 1.88 from SwFr 1.8740 in terma of the Swiss franc, and to Y235.75 from Y324.25 against the Japanese yen.

STERLING — Trade-weighted index 91.2 against the Japanese yen.

and to Y432.50 from Y428.50.

D - MARK—EMS momber L677.52. The dollar rose to (weakest) Trade-weighted index sterling to L2.332.10 from 115.0 six ments ago. Three- L2.319.30.

THE POUND SPOT AND FORWARD

Feb 25	Day'e epread	cioso	Onu month	% p.a.	Three resides	% p.u.
U.S.	1.8250-1.8350	1.8330-1.8340	Per-0.10c dis		0.45-0.55dle	-1.09
Canada	2.2270-2.2390	2.2370-2.2380	0.17-0.27c dis		0.90-1.00dis	-1.70
Nothind.	4.75-4.79	4.78%-4.77%	2-1 ¹ -c pm	4.40	5-4 ¹ 2 pm	3.90
Balgium	79.30-79.80	73.55-73.65	5-25c dls	-2.26	18-38 dis	-1.47
Cenmerk		14.55-14.56	12-12-ore dis	-0.51	34-44 dis	-1.10
keland	1.2220-1.2330	1.2305-7.2320	0.44-0.58p dis	-4.87	1.37-1.54dis	-4.73
W. Gar.	4.33-4.36	4.34-4.35	13-14pf pm	4.14	43-37 pm	3.80
Portugal	126,30-128.00	127.65-127.98		-8.39	125-385 dis	-7.98
3pain	188.00-188.75	188.25-188.45	20-45c dis	-2.07	105-135 dia	一9.55
Italy	2.321-2.335	2.321 - 2.323 -	13-10 lire die	-7.49	43-48 dls	-7.66
Norwey	10.94-11.02	10.97-10.98	2-1ors pm	1.64	1 pm-per	0.18
France	11.05-11.09	11.08%-11.07%	4-14c dis	-0.81	41-51 dis	-1.90
Sweden	10.56-10.60	10.58-10.59	7g-140re pm	0.64	15-% pm	0.47
Japan	430-436	432-433	2.95-2.55y pm	7.63	2.00-7.60 pm	7.21
Auatria	30.40-30.55	30.50-30.55	17-13gro pm	3.90	40-33 pm	4.78
3witz.	3.43-3.46	3.4414-3.4514	24-140 pm	0.96	47,-43, pm	3.37
		lor convertible	Iranes. Financie	Irane	85.95-86.05.	

Six-month lorward dollar 0.95-1.05c die, 12-month 1.90-2.05c die.

THE DOLLAR SPOT AND FORWARD

Feb 25	Day's epread	close	One ments	۴ <u>،</u> ۲. a.	Three months	p.e.
UKT	1.8250-1.9350	1.8330-1.8340	par-0.10c die	-0.33	0.45-0.55dis	
Irelandt	1.4865-1.4910	1.4890-1.4900	0.62-0.52c pm	4.60		
Canado	1.2125-1.2212	1.2207-1.2212	0.07-0.10a dis		0.17-0.21dis	
Neiblad.	2,5965-2,6060	2.5985-2.6013	1.10-1.00c pm	4.25	2.30-3.20 pt	
Beleium	43,42-43,55	43,42-43,44	per-Sc dia	-0.69	per-5 dis	-0.23
Oenmark	7.9440-7.9600	7.9500-7.9600	0.40-0.90gre dis			
W. Gar.	2.3875-2.3790	2.3880-2.3890	0,91-0.86pf pm	4.48	2.23-2.78 p	
Portugal	69.15-70.20	69.65-69.95	25-80c dis	-9.02	55-190 dis	-7.02
Spain	102.80-103.00	702.55-103.00	10-20c dis	1.75	30-45 dis	-1.46
Italy	1,272-1,2764	1.274-1.275	IIre dis چا7-چا0	-8.59	19-20 dis	-0.19
Norway	5.9850-0.0075	S.9900-6.0000	1.00-0,70ore pm	1.69	1.90-1.60 pt	
France	a.0370-6.0600	6.0376-6.0425	0.20-0.35c dis	-0.55	1.25-1.55dlu	-0.93
Sweden	S.7725-5.7850	S.7750-0.7850	0.50-0.30are pm	0.83	2.20-1.90 pr	n 1.42
Japan	236,60-236.70	235.70-235.80	1,78-1.60y pm	8.52	4.95-4.90 pr	e 8.27
Augiria	10.63-18.68	10.85-10.66	94-8gre pm	0.21	25 - 22 pm	3.78
3witz.	1.8760-1.8850	1.8795-1.9805	1.24-1.16c pm	7.66	3.37-3.29 pt	n 7.08

† UK and Ireland are quated in U.S. currency. Forward premiume and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY	CURRENCY MOVEMENTS			CURRENCY RATES					
Feb.25		Morgan Guaranty Chenges	Feb. 24	Bank rate		Eurepean Gurrency Unit			
Starling U.S. dolar. Canadian dollar. Austrian schilling. Seigian franco. Danish kroher. Doutscho mark. Swiss franc Guilder Lira Yen Seigian dollar Washington spream Based on trade we Washington spream Bank of England i	110.0 90.9 83.9 121.9 133.9 114.4 78.8 64.9 133.6	ber, 1971.	Sterling	12 14.74 33 14 11 71 ₂ 81 ₂ 81 ₂ 10 61 ₂ 8	18.7749 48.0921 8.96486 2.67478 2.83787 0.82009 1435.79 265.078 6.81045 110.070 6.08391 8.12064	0.561953 1.08507 1.20238 17.0070 44.3905 8.12320 2.42000 2.00035 6.17224 1300.92 240.118 6.16438 103.109 8.91202 1.91880 02.7023			

OTHER CURRENCIES

Feb. 20	£	\$		Note Rates
Argentina Peso Australia Dollar Senzil Gruzelro Finland Markka Oraek Brachma Hong Kong Dollar Iran Riel Kuwait Binar IKDI Luxembourg Fr Malaysia Dollar New Zealand Bir. Saudi Arab. Riyal Singopore Dollar. Sth. African Rand U.A.E. Dirham	1,7010 1,7030 283,33.954,33 8,2978,306 110,283-113,674 10,78-16,791 148,60° 0,518-0,524 79,33.79,05 4,2230.4,9330 0,23-6,29 3,8050.3,8580 1,7890.1,7940	0.9285-0.8290 138.36-138.06 4.0270 4.5190 61.10-61.30 8.8873-0.8993 21.80° 0.2845-0.2846 45.42-45.44 2.3065-2.3085 1.2085-1.2703 5.4190-5.4910 8.1050-2.1070 9.9775-0.9720	Austria. Seiglum Denmark France Gernany Italy Japan. Notherlands Narway Portugal Spain Sweden Sweden Juited States Yugoslavia.	30,25,20,60 85,25,87,95 14,31,14,60 11,02,11,12 4,321 ₂ 4,361 ₈ 2010,2360 4,75,4,78 10,94,11,04 124,1301 ₂ 183,4,103 10,35,10,65 5,43,5,47 1,8614,1,841 ₄ 93,100

t New one rete. . Selling rate.

EXCHANGE CROSS RATES

44.8963 a.13392 2.5181S 0.19564 2.67296 0.636799 1305.13

Belgien Franc ... Danish Krene ... Germen D-Mark French Franc ... Oulch Guilder ...

EMS EUROPEAN CURRENCY UNIT RATES

44,5062 a.12771 2.42537 0,17855 2.66169 0.697545 1303.36

Changes are for FCU, therefore positive change denoise e week currency. Adjustment calculated by Financial Times. Sterling/ECU rate for February 25 0.556382

Fpb, 35	Pound St rling:		Doutschem'	k Japan'se Yen	FrenchFranc	Swiss Frenc	Dutch Gulid'	Italian Lira	Canadia Bollar	Belgian Franc
Pound Sterling	0.545	1,834	4,345	432.5	11.073	5,448	4,768	2323.	9,238	79,60
U.S. Dollar		1.	2,370	235.9	B,039	1,880	2,600	1967.	1,290	43,41
Deutschemark	0.23n	0,422	10.05	99.54	2,548	0.793	1,097	534,5	0,515	18.32
Japanese Yen 1.000	2.312	4,238		1000,	35,60	7,971	11,03	5370,	5,173	184,0
French Franc 10	0,903	1.650	3,924	380,6	10.	3.113	4,306	2098.	2.021	71,89
Swiss Franc	. 0,290	0.552	1,200	125,5	3.312	1.	1,387	673,7	0.649	23,09
Dutch Guilder	0,210	0,58 5	0,911	90,72	2,322	0,723	1,	487,2	0,469	15,70
Italian Lira 1,000	0,431	0,789	1,871	126,2	4,767	1,484	2,053	1000,	0,963	34,27
Canadian Dollar	0,447	0.B19	1,843	193.3	4.949	1,541	2,101	1038,	2.811	35,58
Belgion Franc 100	1,266	2,303	0,458	543.5	13.91	4,331	5,989	2918,		100,

±1.5440 ±1.6428 ±1.1097 ±1.3743 ±1.5069 ±1.6689 ±4.1242

FT LONDOM INTERBANK FIXING (11.00 a.m. FEBRUARY 25)

8 months U.S. dollars

bid 14718 ofler 15	bld 14 15/16 offer 15 1/16	at 11 am each working day. The banks are National Westminste Tokyo, Deutsche Bank, Banque Netionale de Peris and Morgan	r Bank, Ban
FUDO-CHODENCY IN	TEDEST DATES IMpried a	locing Rates	

EURO-CURRENCY INTEREST RATES (Market closing Rates)

Feb. 20 Sterling	U.S. Dollar	Canadian Dollar	Dutch Guildor		West German Mark	French Franc	Italian Ura	Belgian Franc Convartible	Japanese Yen
Short term	154-1312 1312-1331 141, 1412 141, 15 1418-1318 141, 1515	1312-1412 1318-1410 1412-1478 15-1338 1314-1038 1334-10	918-814 815-918 814-8[1 814-914 914-1014 914-1016	80-83 319-4 015-714 715 715 8-1-876 778-8	916-10-6 978-10 978-10 978-10 078-10 978-10	1331-144 1354-144 1418-1478 1319-1373 1638-1034 1034-1718	20-23 21-25 2058-214 8116-2134 8136-22 2176-9254	14-17 133-174 144-1534 145-1558 1458-1058 1458-1058	018-636 B14-536 014-056 6-3-6-6 6-3-6-6-6

SDR linked deposits: one month 12%-12% per cent three monites 12%-13% per cent; aix months 13-13% per cent; one year 13-13% per cent. ECU linked deposits: one month 12%-13% per cent; three months 13%-13% per cent; six months 13%-13% per cent; one year 13-13% per cent. Asian S (closing lates in Sinospore); one month 14%-14% per cent; three months 14%-15% per cent; six months 15%-15% per cent; one year 13-15% per cent. Long-term Eurodoilar live years 15%-15% per cent; three months 14%-15% per cent; five years 15%-15% per cent. The following rates were quoted for London dollars and Jasenses yen; others two-day's notice.

The following rates were quoted for London dollar certificates of deposit; one month 14.00-14.10 per cent: three months 14.50.14.40 per cent. Short-term rates are test no 0.5. easiers. Cenadian deliars and Jaconese yen; others two-day's notice.

The following rates were quoted for London dollar certificates of deposit: one month 14.00-14.10 per cent; three months 14.30-14.40 per cent; alx months 14.45-14.55 per cent; one year 14.50-14.60 per cent.

MONEY MARKETS

3 months U.S. dollars

London rates steady

London clearing bank base lending rate 13! per cent (sluce February 25)

lending rate 13! per cent to 141.141 por cent at the close from 141.142 por cent at th little changed io the London

a markol shurtage of about £200, but gave assistance of £292m by way of 35-day socurities repurbut gave assistance of 122211 by buying £16m bank bills in band 1 (up to 14 days maturity) at 13½-13½ per cent; £241m bank bills io band 2 (15-33 days) at 13½-13½ per cent; and £35m showed little changed at 10.05 per cont, and period rales also showed little change. A repurbank bills in band 3 (34-63 days) at 13½ per cent.

bank bills in band 3 (34-63 days) at 13½ per cent.

The major factors were: repsyment of money from the Amersham share offer +£1,520m, offset by bills for repurchase by the market -£707m: repayment of loans to the market -£640m; bills maturing in official hands -£240m, and other Exchequer transactions are some expires on March 14½ per cent from 14½ per cent, approaching the 9-month low of 14½ per cent touchod co February 168. Poriod rates showed little change. -- £10m.

MOREY RATES	
NEW YORK Prime rate Fed. lunds [lunch-time] Treasury bills (13-week) Treasury brils [25-week)	10년 13년 13 년 17.94 12.62
GERMANY Special Lemberd Overnight rate One manth Three months Six manths	10,00 10.05 0,625 10.225 10.225
FRANCE Intervantion rate Overnight rata One month Three mentls Six months	14.125 14.125 14.125 14.375 14.375
APAN Discount rate	\$. 58 \$.59 37 5 6,53125

GOLD

Further Seven day money foll slightly

Gold roso \$21 io the Londoo bullion markot yesterday, to \$365;-366; Itopened at \$366; little changed to the London money market yesterday, with three-month intorbank money rising to 14-14; per cent from 13 12-14 27 per cent.

The Bank of England's dealing rates and wennesday the Bank of England's dealing rates for band 1 bills were \$3 12 per cent, and band 2 134 per cent, and band 3 13 22 per cent.

In Frankfirst the Bundesbank afterooon. The metal touchod a sagainst \$362-365.

low point of \$3651-3661, and a low point of \$3651-3661, and a poak of \$3673-3682. In Paris the 121 kilo gold har was fixed at FFr 70,600 per kilo 1\$362.83 per ounce) in the afternoon, compared with FFr 71,000 (\$365.61) in the morning, and FFr 70,100 (\$362.21) Wednesday afternoon

in Frankfurt the 121 kilo bar was fixed at DM 28,205 por kilo (\$369.76 por ouoce). against DM 27.550 (\$362.99) previously.

	Feb. 25		Feb. 24
— , -	Gold Bull	on (Tine gunce)	
Close	58 1.28734 1E8 58 1£2		
	Gald Coin		
1/2 Kragerrend (3) 1/4 Krugerrand (3) 1/4 Krugerrand (3) 1/4 Krugerrand (34 Maplutaef	96-196	(-2214) \$40.4 34.20614) \$375- (-49) \$8814 (-5734) 0104- (-5734) 0104-	195 (2106-10612) 00 (254-5412) 1 (2213-8212) 376 (2205-20812) -39 (24814-4811) 105 (257-3712) 105 (257-3712) 00 (2491-5412) 14-55 (234514-24712) -3556 (21931-10412)

LONDON MONEY RATES

сћалде.

Feb. 95 1982	Sterling Certificate of daposit	Interbank	Local Authority deposits	Local Auth. Regatiable bonds	Financa Housa Deposits	Company	Discount Market Deposits	Treasury	Eligible : Sank Silie &	Fine Trade Bills &
Overnight 8 days notice 7 days or 7 days notics One manth	. — 14\s.14	2-141s 	14-144 141 ₈ -144 141 ₄ -143 ₈ 141 ₈	1412-1416	14	145, - 1352-1412 1412-1468	13re	1372-18-3		= 145s
Two manths Three months Six months Nine months One year Two years	15	13/2-14/3 14-14/8 13/3-14/2 13/2-14/2 13/2-14/2	14 14 1873 1814	145g.14 143g.14 107g.105g 14-135; 14-165g	14 14 14 14 14		134-131 ₂ 134-131 ₂ —	13-13-13-13-13-13-13-13-13-13-13-13-13-1	ام 13 ل 13	141: 14 1312

norminally three years 14% per cent; four years 14% per cent; four early 14% per cent; the Bank bill rates in table and a related to the per cent. Bank bill rates in table and a related to prime paper. Buying rates for four-month bank bills 13% per cent; two months trade bills 13% per cent. Approximate selling rates for one month Treasury bills 13% per cent; two months 13% per cent; three months 13% per cent; two months 13% per cent; two months 13% per cent; two months 13% per cent; three months 13% pe

it.
Finance Houses 9ase Retes [published by the Finance Housea Association] 15½ per cant from February 1, 1980 arisin Bank Deposit Rates for sums at seven days' notice 1½-12 per cent. Cleaning Bank Rates for lending 14 per cent.
Treasury Bille: Average tender rates of discount 13.6173 per cent.
Certificates of Tax Ooposits (Series 5), 14% per cent from February 16. Deposits withdrawn for each 11 per cent.

£4m submersible inspection work

line inspection programmes in ready collator-stitcher-frimmer the Cormorant, Brent, Auk, and was valued at over £100,000 to Fulmar fieldo and structural inspections on steel and concrete production platforms.

TWO SERVICE companies of the British UNDERWATER form at Brent field.

ENGINEERING GROUP

("BUL") — British Oceanics ("BOL"), (support vessels and manned submerables) and Subserveys ("SSS") (support vessels and submerables) and remote controlled submersibles)—have algoed controlled submersibles)—have algoed controlled submersibles)—have algoed controlled supply process computer systems and Production to carry out sub
The order covers two completes are controlled and Production to carry out sub
The order covers two completes are controlled and Production to carry out sub
The order covers two completes are controlled and Production to carry out sub
The order covers two completes are controlled and Production to carry out sub-

48 bops of 960 channel or 625-line colour TV transmission in the upper 6GHz frequency band 6425-7110MHz). Deliveries will be made during 1982 and early 1983. The equipment will be used by British Telecom to provide tomporary provision or emergency replacement of existing links.

("BUE") — British Oceanics ("BOL"), (support vessels and manned submersibles) and Sub Sea Surveys ("SSS") (support vessel and remote controlled submersibles)—have algued controlled submersibles)—have algued controlled submersibles inspection work in the Sunrit Sea during 1982.

The combined contracts are thought to represent the largest submersible contract signed for this type of work Total figure is in the region of £4m.

The units, operated by BOL, irrolves the support vessel "British Vnyager" and two manned submersibles (LR2 and LR3) carrying out detailed pipe-line inspection programmes in the Cormovant, Brent, Auk, and Fulmar fieldo and structural submersible contracts are wayned and and submersible on the Cormovant, Brent, Auk, and Fulmar fieldo and structural season and submersible of the support vessel in the Cormovant, Brent, Auk, and Fulmar fieldo and structural season and submersion of the cormovant, Brent, Auk, and Fulmar fieldo and structural season and submersion in the cormovant, Brent, Auk, and Fulmar fieldo and structural season and submersion in the cormovant, Brent, Auk, and Fulmar fieldo and structural season and submersion and submersion

the Cormorant, Brent, Auk, and Fulmar fieldo and structural inspections on steel and concrete production platforms.

The units, operated by SSS. involve the support vossol "British Enterprise 5" and the remote control vehicle CONSUB 2. Thoy will curvey in detail the entire length of the longest pipelino in the North Se2. This is the Shell/Esso Flags Gastine from Brent to St Fergus. They will also carry out structural steel of the support to steel and concrete production platforms.

The units, operated by SSS. MULTITONE ELECTRONICS involve the support vossol "British Telecom British Telecom Steel Information of Marris Interval and structural steel of Silough.

**Commercial Union is purebacing existing links

set tomporary provision of Commercial Union is purebacing existing links

existing links

Steel reinforcement specialist ROM RIVER has won a \$750,000 and a \$750,000 and \$750,000

FT UNIT TRUST INFORMATION SERVICE

Clo Bank of Bermuda, Hamilton, Bermuda Adv. ACMI, 62/63 Queen St., EC4, Ol 248 8881 Destribution February 19/24 (50,002251) (14,7% p.2.)

Bridge Management Ltd. GPG Bos 590, Hong Kong Nasstr Feb L. VZB 335 Napon Fd. Feb 24 ... USSZ W 22.97 +060 T 18

50.9 400 97.3 100 19.00 150 20.00 +0.1 1392 44.40 4.00

Shipley Tst. Co. IJersey) Ltd. P.O. Box 583, St. Heller, Jersey. 0534 74777 Sterling Bd Fd. (h) ... (59 20 9.24) +0.04 14.24 Scerling Cap. Fd.J.(a) ... (\$13.90 13 92) Butterfield Management Co. Ltd. P.O Box 195, Hamilton, Bermuda.

Capital Asset Managers Ltd.

Bermuda Hse, St. Julians Aer, St. Peter Port.

Gestings C. 0451 26268

The Currency Trust ... |93.0 190.0 | 1.00

utscher Investment-Trust dach 2685 Betergasse 6-10 6000 Fra

Free World Fund Ltd.

| Hambros Fd. Mgrs. IC.1.) Ltd. | P.D. Box 194, St. Melicr, Jersey. | MORES Feb 18. | (USSY10) | Q.591 | Indicis Management Co. N. v. MORES Feb 18. | (USSY10) | Q.591 | MAV. per share Feb. 22 | Murray, Johnstone Haw. Advisor) | Tynitali Groupe Secretal Sts. Fam. | (E.0) | 86.6 | 300 | Murray, Johnstone Haw. Advisor) | Tynitali Groupe Secretal Sts. Fam. | (E.0) | 86.6 | 300 | Murray, Johnstone Haw. Advisor) | Tynitali Groupe Secretal Sts. Fam. | (E.0) | 86.6 | 300 | Murray, Johnstone Haw. Advisor) | Tynitali Groupe Secretal Sts. Fam. | (E.0) | 86.6 | 300 | Murray Hope St. Feb 15 | USSA 30 | USSA 30 | USSA 30 | Marray Fd. Feb 15 | USSA 30 | Marray Fd. Feb 25 | Marray Fd. Feb 26 | Marray Fd. Feb 27 | Marray Fd. Feb 28 | Marray Fd Henderson Admin. (Guernsey) Ltd. 7 New St., St. Peter Port, Guernsey 0481 265 American (US cents). [114.1 120.1]

1.C. Trust Manuagers Ltd.
10, St. Georges St., Douglas, IoM 0624 2501
Int. Commodities Tsi. 194.5 100 Sml ... 1 —
Next dealing day March 3.

OFFSHORE &
OVERSEAS
FUNDS
Adig Investment
Postect Obligations S.A.
| Agency of Liberty C. Liberty C

Cartmore Intl. loc 207 229 -0.11 15.10 Management International Ltd.

NAV US\$17.32 |-0.11| --| Providence Capitol Life Ass. | C.|. | V.C.A. Financial Manager | 10.00 | P0 Box 121, St Peier Port, Guernary 0481 2572649 | 42 Essex Street, London, WC2 | 10.00 | Sterling Bond Fd | 44.6 | 46.5 | +1.0 | Pankmer. 0's Fst. | 1835.1 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.0 Stock Fund Man. (Jersey) Ltd. 9.0 Box 194, St. Heller, Jersey. 053427441; Ouest Sile Fed. let. 50.647 0.777st 12.596. Quest lind. Secs. 0530274 0.940st 1.2 Quest lind. Bed. 1953077 0.919st 1.2 Quest lind. Bed. 1953077 0.919st 1.2 [4.696]. Prices on February 24. Next dealing Marrie 7. Richmond Life Ass. Ltd.

Korea International Trust

Find Man.: Korea Invest. Trust Co Ltd. Schruder Mings Services IJersey) Ltd.
cle Victors da Costa Ltd. King William Street, P.O. See 195, St. Heller, Jersey. D534 27561
London, ELA. Ol-623 2494
Feb 19. NAV (Wan 7242-24) IOR Value

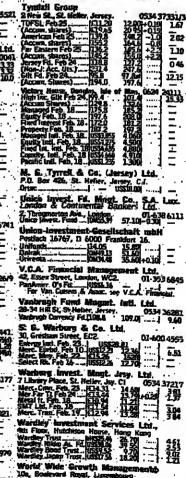
DSS10,590.00.

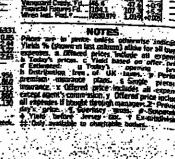
J. Henry, Schruder Wang & Co. Ltd.

Henry, Schruder Wang & Co. Ltd. The Korez Trust Co.Ltd.

The Korez Trust Co.Ltd.
FKI Beilding, 1-124 Yokin-dong, Senul, Korez.
NAV February 20 (Mon 11,140) (USSS)5.66)

Lazard Srothers & Co. Cersey) Ltd.
20 80 80 108 St Heller Letter C. 1054 2731





ΙŸ

Einanoial Time

Feb. 24

Feb. 23

Feb. 24

Stock

Feb. 23

Feb. | Feb. 24 | 93

NEW YORK

Wall St 5.4 firmer at 1pm 41₂ 43₆ 51₂ 31₅ 543₄ 541₄ 107₅ 101₄ 143₄ 143₄ 243₄ 243₄ 161₈ 133₄ Columbie Gas Columbie Piot.... Combined Int.... Combustn. Eng... Comwith. Edison... Comm. Satelite... 2978 2914 6054 60 1914 1978 3016 3014 2078 2078 5712 5614 Gt. Ati. Pac. Tea. Ot. Basins Pet... GtNthn, Hekoose Gt. West Financi. Creyhound...... Crummen...... Culf & Western... Feb. 23 154, 4818 20 1718 12 50 5258 2038 3218 1078 3619-3619-3619-1934 40 172 1234 5316 6536 224 814 35 4 19 4 2 18 24 78 34 34 15 34 22 18 92 19 20 14 Milton Bradley... Minnesota MM.... Missouri Pac **ACF Industries** 304 194 3 243₆ 3369 104 221₆ 921₂ out of Washington that a new protoctionist Bill was introduced MELPED BY encouraging news 3,12m shares (3,29m). on the inflation front, Wall Germany Sealed Power ... Searle [GI]..... Sears Roebuck, Security Pac Sedeo Oheli IIII Sherwin-Wms... Street, took Wednesday's good Canada The yen's inability to shake off its weakness against the U.S. 165a 664 223 54 68 145a 153 21 336a 471a Shares in Canada also tended to recover further ground yester-day morning. The Toronto Composite Index was ahead 5.1 at 1,681.1 at noon. Golds put on 19.3 to 2,481.3, Oil and Gas 12.2 to 2,829.3 and the interest rate-sensitive Real Estate and Construction index 22.4 to 5.147.8. Monsento Moore McCmrk... Moore McCmrk... Morgan (JP) Motorola Munaingweer Murphy (GC) Murphy Oll... Nableoo Brands. rally a stage further in another Acme Cleve...... Adobe Oil & Gas. 1378 2934 504 93 344 334 404 174 26 27 beavy early trade yesterday. The Dow Jones Industrial dollar and reports on worsening A0vanced Micro. Aetna Life & Gns Ahmanson (H.F.) Japanese corporate earnings were also forcing foreign Average, which recovered almost 14 points the revpious day, was 5.42 firmer at 832.19 at 1 pm. The NYSE All Common Index Cons. Foods..... Cons. Freight... Con. Hat. Gas... Contumer Power Cont. Air Lines... Conti. Group... Cont. Illenis... -702.7. investors to the Tokyo stock market to line up on the selling Air Prod & Chem 4019 1714 334 2578 27 recouped a further 39 cents at \$65.84, while advances outscored Takeda Chemical dipped Y34 to Y960, Sony Y40 to Y3,330, Hitachi Y16 to Y675, Kyoto Ceramic Y100 to Y3,620, Olympus Y50 to Y960 and Nissan Motor 16 205a 2214 9114 19 105a 1914 225a 136a 2314 177a 1834 934 3034 19 1978 3514 3773 4319 3778 struction index 22.4 to 5,147.6. falls by close to a three-to-one ratio. Trading volume came to 43.22m shares, against the 44.22m recorded at 1 pm on Wednesday. Tokyo Nat. Disc. Green 1948 Nat. Gypsum ... 1948 Hat. Medical Ent 16 Nat. Semioductr. 2018 Nat. Service InO. 223 Nat. Standard ... 1359 Nat. Steel ... 2358 Natomas. ... 1914 1514 | 1518 3018 | 3414 Hercules Hershey Heublein The marekt recorded its sharpest fail and is also now at its lowest point for three months, Sonesta Inti Sony Southeast Banky Sth. Cal. Edison. Southern Co... Sthn. Nat. Res... Sthn. Nat. Res... Sthn. Paorfic... Sthn. Railway Southland 2W Bancahares. Sperry Gorp Spring Wills Square II. Squibb Std. Branda Paint Y20 to Y800. Hewiett Pkd..... Hilton Hotels..... Hitachi It was reported that the Con-**Paris** sumer Price Index rose only 0.3 per cent in January, the smallest monthly increase since a 0.1 per 4412 1036 1978 94434 9758 97 2758 97 26 3714 3714 4578 9912 3248 3014 with sentiment dominated by Australia 9936 4034 2832 9654 17 12 3030 9740 2750 1414 4114 4114 2514 4114 2514 517 10 fears of a worsening domestic economy and growing trade friction with the U.S. Markets continued their downward path yesterday, with dealers disregarding the better 1948 | 1444 2374 | 4444 1514 | 1918 3554 | 3554 3554 | 3554 1278 | 1254 2914 | 2654 4254 | 2516 2414 | 2516 cent gain in June 1980. 14f and the sharp overnight Wali Street recovery gave renewed buoyancy to the Paris Bourse. The Indicateur de Tendance index climbed 2.2 to 121.50, while rises entpaced declines in the French section by 126 to 42. The encouraging tone of the talks between President Francois Mitterrand and West German Chancellor Helmut Schmidt also helped sentiment. Analysts said the market is also gaining support from recent declines in some short-term The Nikkei-Dow Jones Average The Nikkei Dow Jones Average ended 83.57 weakor at 7,580.45 for a three-day fall of 178 points. This is the steepest one-day slide since losing 109.46 on November 27 last year, while the Average is now at its lowest level store closing at 7,566.17 on December 2 news from overseas and con-centrating on domestic develop-361₂ 301₈ 271₄ 283₄ 161₄ 451₈ Crown Cork...... Crown Zell..... Cummins Eng... Curties-Wright... interest rates. interest rates. However, rojections for the M-1 measure of the money supply this week, ranging from flat to slightly higher, may be preventing any significant rally, they added. Stocks have dropped sharply in recent weeks following using ments, including higher interest rates and worries about the fate of the Boad Corporation empire. The Australian All Ordinaries index, hammered down through the 500 mark on Wednesday with a fresh fall of 7.5, alipped December 2. The Tokyo SE index receded 4.66 more to 562.24, while there was a fair volume of 320m shares 313, 197, 247, 154, 313, 297, 354, 354, 474, 284, 344, in recent weeks following gains or smaller than expected declines in M-1. 4.3 more to a new 26-month low of 490.0. Bond shares, which started 534 3112 3935 4536 1214 1736 614 1356 0156 2014 2334 24 3156 6078 Oil stocks were among the 1982 at A\$2.70 and were trading 273₄ 55 281₂ 221₂ 521₄ 1982 at A\$2.70 and were trading at A\$2.18 a week ago, had sales as as low as A\$1.35 yestenday before ending at A\$1.55 for a day's fadi of 18 cents. The fail prompted the home Stock Exchange, Perth, to raise a query with the Bond Board, which attributed the sharp deckine to "completely unfounded rumours" circulating on the Sydney Exchange about the company's financial state. The company whose interim figures are due shortly, is to make an official The market got off to a decent start, buoyed by Warl Street's rebound on Wednesday and Japanese Government plans to most active issues as bargain bupniers continued their shop-1156 5656 2176 958 2356 1154 20 6019 1318 3919 2479 2114 ping spree, started the previous Hong Kong Volume leader Cities Service pour money into public works projects in the first half of fiscal gained \$1 to \$301. Also active were Exxon, off 1 to \$281, and Ingersol Rand..... 1982 in an attempt to stimulate isney (Welt).... Disney (Wett... Dome Mines... Connelly IRRO... Dover Gorp... Cow Chemical... Dow Jones... Dresser ... Ir. Pepper... Duke Power... Dun & Brad... Ou Pont... EC & C... Sonat, up i to \$251. The sharp fall on the Tokyo Stock Exchange hurt Japanese stocks. Commerce Secretary Malcolm Bakiridge said recipro-Intel Inter First Corp... Interlake..... Inter North...... the economy. Soon, however, it started run ning out of steam and Blue Chips then led a general retreat. 1358 Both operators and investors were discouraged by recent pessimistic remarks from Japanese officials on domestic 918 914 2059 281: 3518 2459 the day. marcoim bandridge sand recipro-city laws may be enacted unless the Japanese acted to open their markets. Matsuhitz lost \$2 to \$51\(\frac{1}{2}\), Houda Motor \(\frac{1}{2}\) to \$31 and Sony \(\frac{1}{2}\) to \$14. Pacific Tin Consolidated fen 1\(\frac{1}{2}\) to \$14\(\frac{1}{2}\) due to a drop in tin Intl. Flevours ... Intl. Harvester... Int. Income Prop. Int. Paper... Int. Tel & Tel. Irving Bank... James IFS... Jeffn-Pilot... Jewel Cos... Jim Waiter... Jehnson Contr... Johnson & Jiss... Jehnthen Logan. Joy Mni... K. Mart... Kaiser Aium.... Kaiser Aium.... shortly, is to make an official statement today in reply to the economic conditions, analysts said. statement today in reply to the query. Initially, markets made a feeble recovery attempt but this was swept aside as the bad new sunk in. The latest rise in the Australian Treasury Bill rate to 16.8 per cent put pressure on dividend-paying Industrials. early in the session. The Hang Seng index, after a recovery of 11.79 the previous day ahead of the Budget news, yesterday picked up 6.70 more before receding to 1,265.00, down 20 807s 251s 215s 215s 1734 61 2854 84 3514 34 48 12 26 18 43 14 20 18 24 34 30 54 95 18 37 58 19 14 50 58 14 56 44 analysts seld. Also causing fresh weakness was a report from Washington which said U.S. Commerce Secretary Malcolm Baldrige warned a Japanese ruling party trade mission now visiting America that Japan should do something drastic to open the Japanese market to overseas spools. Adding in the warries was 1734 1754 1448 1444 3 278 528 324 12 10 1654 196 12 556 312 2234 3178 3254 31 19½ 359 2118 66 2838 1114 1934 2014 3578 4059 1026 3214 2038 Pac. Tel. & Tsl... Palm Beach... Pan. Am. Air. Pan. Hand Pipe... Parker Drilling... Parker Hanfn... Peabody Intl... Penn Contral... Penney (IC)... Pennzoil.... 2059 2518 3034 1814 2312 2732 1234 31 1678 1454 4414 THE AMERICAN SE Market Value Index improved 2.00 to 904 207 256 41 101 324 204 269.19 at · 1 pm on volume of 1934 4214 3354 1378 4312 5414 1939 016 1814 1236 5318 Among Stores, Weelworth hardened 2 cents to A\$1.52 against the trend, belped by Closing Prices for North Japanese market to overseas goods. Adding to the worries was 527a 1414 2514 978 281g 2114 2078 1934 481g 634 America were not available Peoples Energy Pepsico Peridn Elmer... Petrie Stores.... 778 3546 2056 2246 1458 5512 2234 4614 3318 4614 34078 2134 9446 6534 1914 935 improved annual ersults. for this edition. 9 Japanese new agency report Kaneb Oervices... 1346 1218 Kaufman Brd... 10 978 Kay Corp... 854 854 Kellogs 2272 2278 Kellogs 23716 30 Kernametal... 3116 30 Kerr-McGee 3114 3014 KiOde 21 20 KiOde 21 20 Kimberley-Clark. 6074 6012 King's Oept St... 246 318 Koppers... 1414 1412 Koppers... 1414 1412 Kroehler... 719 718 Kroehler... 719 718 Kroehler... 2634 9688 LTV 1814 1014 Lanier Bus. Prod 20 20 814 Lanier Bus. Prod 20 814 BELGIUM (continued) HOLLAND **AUSTRALIA** JAPAN (continued) CANADA Petrolane Pfizer Phelps Dodge Phila Elect Prico Yen Fab. 25 Feb. 25 Feb. 25. Feb. Feb. 23 338 389 520 391 564 749 319 600 870 ANZ Oroup Acrow Aust Ampol Pat Assoc, Pulp Pap Audinnce Aust Cons. Ind. Aust Cons. Ind. Aust Cons. Ind. Aust Nat Inds. Aust Nat Inds. Aust Nat Inds. Bank NSW Hue Metal Bond Hidgs Boral Brambles Inds. Bridge Oll. BHP Philip Morrie Philips Pet Philips Pet Pilisbury Pioneer Corp Pitney-Bowes Pitney-Bowes Pitning Res'ch Pleasely Polaroid ACF Holding. Kumaaal Kyoto Ceramic Lion Maeda Cons 194 1956 7 2418 37 121₂ 191₈ 07₂ 237₁ 361₂ 14 22 231₈ 3,10 -O.0ŏ AMCA Int I.... Ahol0 ____AkZO____ 17% 13 80% 17% 67% 61% 47% 1758 1212 20 1254 878 21 4614 4278 -0.02 -0.02 Maeda Cons Maeda Cons Maeda Cons Maeda Cons Marubeni Maeda Marubeni Maeda Marubeni Maeda Marubeni Maeda Marubeni Maeda Marubeni Maeda M +0.02 +0.01 2466 1918 634 0212 1914 2216 2412 racton Elect 224 Union Miniere. Vielle Mont.... 2314 3,20 171₂ 101₄ 24 193₄ 55₈ 95₉ 25 11 Sell Canada 1778 1546 2448 2014 512 968 2444 11 1612 914 Bell Canada Bow Velley P Canada Srascan A Srinco B.C. Forest Oil. Inc. CadillacFairview Camife Mines Can Cement DENMARK Ennie Euro Comm Tet 71.0 Feb. 92 Price % Utd. Energy Res. US Fidelity G..... US Gypsum US Home 126 414 140 370 140 134,6 636 452,4 280 191 149,6 1,528 94 Itieo Skand Nazrde's Nazrde's Nazrde's Nat Hed cort. Hed Grod Bank. Hed Mid Bank. One Grinten Ommeren (Van). Pakheed 29 +5.3 28.5 +0.2 106.6 +0.1 33 -0.3 114.5 -0.2 118.5 +1.6 87.6 +2 27.3 +0.3 42.1 -0.4 8ucyrus-Erie 8urlington InO ... 9urlineton Hrthn Eurndy Burroughs 183e 257e 505e 1114 3914 414 1134 16 191e CSR. Cartton & Utd. Castlemaine Tys. Cluff Ill (Aust). Co. Opts Cockburn Cemt. Coles (6.4). Comblee Costain. Grussder Off... 1754 1218 538 312 0178 1734 1012 6034 1034 Can H W Lands 2254 2512 Can Packers 2112 3112 Can Truseo 2653 2653 Can Pachic 3453 3578 Can Pachic 3454 3214 anska Bank ast Aslatic... +0.0 -9 -9.6 24.2 +0.4 30.2 -2.2 217 +2 Nisshin Flour...... Nisshie Steel..... 346 165 Chieftain... +2 +0.2 +0.3 +1.4 +1.2 -0.5 +0.8 +4 -0.1 +1.2 +2 201₈ 26 281₄ 251₄ 294₈ 345₈ CominooCons Bathat A... Cont Sk. Canada Cosoka Resre'es Costain Daon Davel Denison'Mines Come Mines 150 231.6 503 121 Elloer Smith G M Enloavour Res. Cen Pro Trust. Hartogen Energy Hooker. Cid Aust. Jennings Jimb lana(SOCFP) Jones (0) Kia Ora Gold. Leonard Oil. MinM Meckatharra Ms Moridian Oil. Myer Emp. Nat. Bank News. Hicholas Int. Horth Bio Hill. Oakbridge. Ottor Expel Paneon. Pan Pacific Paneon Res Margit G. Reckitt & Coln. Sairtos 78 74 74 74 3,50 27 124 1454 788 712 7 3,60 264 1378 -0.8 +5 -8 25 29 l₂ 19 l₄ 16 l₆ 25 l₄ 12 l₂ 26 l₄ 18 76 28 l₄ 28 l₄ 12 l₇ 28 l₄ 12 l₇ 28 l₄ 12 l₇ 18 l₇ 18 l₈ 18 l₉ 18 l 121.6 204.8 145 76.8 77.3 219 160.2 117 41 01.7 29 Republic Stee ... Rep of Texas... Reson Cottrell... Resort intt A ... Revoe intt A ... Revion... Revion... Revion... Revion... Reynoids (RJ)... Reynoids Mils... Rite Aid... Roadway Exps... Rebbins (AH)... Rochester Gas Rockwell Intt... Rebim & Haas... Rebim & Haas... Rebim & Haas... 22 5g 28 1g 12 14 13 14 23 1g 30 14 11 16 45 19 18 30 1g 12 olinee. -0.1 Figneer Renown Renown Riceh Sanyo Elect Sapporo Sekisui Prefab Sharp Shisledo Stanley Stanley Alanie Marine Talhel Lengyo Taleel Corp Talei Orp Talei Orp Talei Orp Tokyo Garyo Tokyo Garyo Tokyo Garyo Tokyo Garyo Tokyo Sanyo Toyos Selican 305, 1436 3256 7356 241, 3756 3218 3018 3218 3018 3218 176 1412 9312 Carp Toch. 345s | 351s Carter Hawley... | 135s | 131s Cotorpiliar | 475s | 535s Colanosa Corp ... | 651s | 535s Cantox | 145s | 145s | 155s Contral & Sw. | 145s | 165s Contral Tel Util ... | 223s | 285s Contral Tel Util ... | 172s | 165s Contral Tel Util ... | 172s | 165s Contral Tel Util ... | 172s | 165s Champ Int | 150s | 135s | 135s Champ Int | 75s | 15s Charter Co ... | 75s ChaseManhatt'n ... | 50s Chesse Proud ... | 545s | 54s Ghrysler ... | 457s | 40s Chesinant Mill ... | 457s | 40s FRANCE | Dome Petroleum | 10 to | 33 to | 33 to | 33 to | 33 to | 34 to | 35 101g 3314 151g 201e 641g 187e 236 133g 3,20 117s 34% 17% 15% 3714 23 62 30% 38 38 37 474 357 479 19:8 Galeo. Oon Am Invest ... Gen Cinema ... Cen Dynamics ... Cen Electric.... Oen Foods ... Gen Instrument... Gen Metors ... Gen Metors ... Cen Pub Utilities Gen Signel ... Gen Telep Elec... Oen Ties Elec... Price Fra. ITALY 454 198,2 850 1,430 1,610 660 814 Rolm Roper Corp Rowan Royal Crown Royal Crown Royal Dutch Rubbermaid Ryan Hemes Ryder System SPN Companies, SPS Technol gles Sabine Corp Safeway Stores St. Paul Cos St. Regis Peper... Sante Fs Inds... Saul levest... Sexon Indus... Schering Plough. | Hollinger Argus | 98 | | Hudson's Bay Mug | 181₈ | | Hudson's Bay | 191₄ | | Hudson's Bay Bang' Rothschild Bouygues BSN Gervals -3,5 25 194 49 71₈ 4156 2214 10 123₄ 144 33 1g 10 1g 12 3g 15 1q 29 1g 37 15 3g 18 4 3g 18 6g 32 5g 69 3g 27 7g 10 1g 7 4 8g 28 1g 162,875 --123 36,389 --20 306 +4.5 5,280 --60 8,486 -5 1,748 --2 9,950 --45 1205 --276 9,988 +4 2,640 --62 1,395 --24 17,150 --20 14,300 +50 Wheelabratr F ... Whealing Pitts Whitipool White Consolid White Consolid Whitaker Wiekes Williams Co... Winn-Dute Str... Winnebage Wiso Elee Power Woolworth Wrigley Wryl Xerox Yellow Frt Sys Zapata Zenith Radio... 535q 2714 2534 2342 28 814 2312 3072 465 98 18 3614 1514 9134 Genuine Parts. 321₂ 322₆ Georgia Pac. 176₆ 17 Ocosource 371₄ 381₄ Gerbes Prod 241₅ 942₆ Getty Dil. 481₂ 47 Giddins Lewis. 191₅ 19 Giddins Lewis. 191₅ 161₄ Goodrich 8FI. 191₅ 191₅ Goodyaar Tire. 191₅ 191₅ Goodyaar Tire. 191₅ 191₅ Goodyaar 391₄ 361₅ Grainger (WW). 371₂ 375₅ 222 339.5 118.2 256 82 134 40.8 1,255 418 iantos Sieigh (HC) Southland M'n'g. 22 01₈ 2,07 343₄ 81₂ 271₈ 373₄ 71₂ 187₉ Montedison Olivetti Perel3 Co ... Pirel0 Spa ... Snia Viscose Toro Assic... do. Pref.... Sumez . Sen.-Oc 91.3 275.3 890 1,585 37 1,215 744 665 65 imetal ... Lariarge L'Oreal . +0.2 +0.0 +10 Nthn. Telecom 66 Oakwood Pet 87g Pacific Copps 7. 1.79 Pan can Petrol. 65 Patino 7121g Power Corp. 125g Quebec Strgn 2.13 SINGAPORE 6434 0 1.55 68 17 1954 1234 9.05 +1.2 NORWAY Indices Feb. 25 Price + or Feb. 25 NEW YORK -DOW JONES -0,01 -0,95 +0,55 +0,56 +0,22 -0,81 +0,15 305,3 125 332,9 182 183 210 290 872 +0.2 +4.4 -2 +0.5 +5 +12 11e,5 +0,8 125 147 31 +1 366 360 +5 Fab. 93 Paribas Pachiney Pernod Ricard Perrisr Pangeot-S.A. Pociain Radiotech Redoute Price Soustead Shd. Gold Storage DES Frasor & Hoave Haw Par Haw Par Haw Par Haw Par Hakay Banking Malay Banking Malay Brew. OCBC. Sime Darby Straits Trg. UOB. 16.9 1.85 11 120 3.13 4.90 7.8 14.8 15.1 17.1 4.2 6.65 9.73 6.65 9.73 5.00 8.85 -0.2 Feb. 24 Feb. 23 Feb. 1981-82 8 826.77 812.98 811.26 824.30 826.96 827.63 1024.05 811.25 1051.76 41.22 (27.4) Low AUSTRALIA -All Ord. (1/1/60) Metal & Minis. (1/1/60) 7,0 121.8 291.2 175.6 539 425.6 1,060 308.5 989.8 -0.1 +0.65 -0.1 -0.9 -0.1 +0.03 -0.9 SWEDEN +13 68,84 (18/10) Jardine Math Hew World Dev. O'seas Trust 8k. Sik Props. Swire Pag A. Wheel'k Marki'e World Int. Hidgs. SOUTH AFRICA Feb. 23 Price Kroner +19 BELGIUM Belgien 8E (61/12/66) eDay's high 829.72. low 806,01 +1 +4 +4 211 204 182 360 124 226 936 89.0 DENMARK GERMANY 3.8 8.9 14.3 85.0 2.9 9.35 37 7.35 2.45 96,88 (2/1/81) -0.1 -0.3 +1 -0.3 +1 -0.8 +1 Feb. 25 Price + or -0.0 +1 -2 +9 +3 +3 +3 +9 48 484 129 115,3 196 281 +3.3 +4 -1 +0.7 -1 JAPAN STANDARD AND POORS AEG-Telef..... Allianz Vers..... BASF 204 142 AZ-Aktien (11/12/58) Feb. 25 Price + or 199 108 152 138 925 529 222 Bayer-Hypo_____ Bayer-Vsrein____ BHF-Bank De Beers De Beers De Beers De Beers De Beers De Geduid. Gold Fields SA Highwold Steel Huletts Kloof Nedbank OK Bazzars Protes Hidgs Rembrant Repnies Rust Plat Sage Hidgs SA Brews Tiger Oats Uniseo. 126.88 126.74 157.02 125.81 180.96 | 3.52 (6/1/6/1)(25/2/62 | 22:11/69/50/6/32 115.82 115.69 135.12 111.51 140.52 4.402 (6/1/6/1)(25/2/62 | 22:11/80 (15:32 8.02 25,25 34.50 89 6,4 8,95 Alinomoto Amada Amada Asashi Class Bridgestone Canon. Canon. Citizen Dalei DKBO Dal Nippon Ptg Dalwa House Dalwe Selko. 85.1 85.5 904 213.7 229.9 139.5 48.5 994.5 200 138 85.8 68,1 +9 +0.7 +3.1 +9.1 +0.1 +1.5 +1.5 -0.0 -0.5 +2.5 +2.5 +1.5 '+e AUSTRIA -0.55 +0.55 -0.55 -0.55 +0.55 +3 -4 -5 -6 Feb. 3 Year ago (approx 1118,77 (6/16) +2 +0 +1 52.25 6.25 19.0 2.80 10.55 5.26 4.3 2.8 4.65 20 5.80 Feb. 26 Price + er 188,44 (24/7) Ind. P/E Ratio Greditanstalt Landerbank Perimooser Semperit Stayr Dailmer Veitscher Mag: 919 190 250 97 169 900 D'sche Baboock 913 | Deutsche Bank 269,5 | OU Schult 174 | Dresdner Bank 145,5 | EHH 2197 | Hapes Lloyd 65 0.11 JAPANI Long Gov. Bond yield 13.93 14.32 14.15 12.68 7580.45 7564.027714.56 7758.36 562.24 568.88 571.00 672.97 +1 -1 SWITZERLAND HORWAY Oslo SE | 1/1/72) 117.65, 117.84 178,88 120,24 145,72 (6/8) 110,54 (5/6) 113,2 24,6 430 111 164,5 190 1,861 1,890 1,019 823 483 854 358 413 20 9 105 208 1,911 599 908 411 19 197 Price Fra. SINGAPORE Straits Times (199 High Financial Rand US\$0.761 728. \$7(15/2/82) Alustrisse Brown Boveri Ciba-Geigy de (Part Certs). Credit Suisse Elektrowatt Fischer (Geo) Hoff-RochePiCis Interfoole Jelmoli 596 1,020 1,280 980 1,936 2,250 485 50,750 5,950 0,370 1,030 3,125 (Discount of 25%); +5 +30 +0 +2 +3 BRAZIL 476.8 (6/2) 547.2 (4/2) 138 188.3 68.2 58 017 70 181 143.5 955 256 688.5 209 174 261 +1,5 +0,3 +0,7 +30 BELGIUM/LUXEMBOURG Feb. 96 Feb. | Feb. 23 Feb. 29 105.09 104.61 104.70 (c) 88.17 (5/1/82) +0,6 -2,5 +2 +1,2 +2,5 +3,5 Price Fra, 292.16 298.75 280.44 290.54 498.56 (27/5) 277.66 276.82 276.45 274.98 575.28 115/8) SWEDEN Jacobson & P. (1/1/59) 400 882 560 608 373 560 839 409 423 985 474 519 020 ---19 HAN 1,450 2,050 1,750 1,945 4,620 2,450 1,585 1,750 3,420 1,585 1,585 1,585 1,585 1,585 1,585 1,585 1,585 1,585 1,585 1,585 1,585 +00 TORONTO Composite 1676.5; 1656.5; 1656.5; 1682.0; 2390.55 | 1677) . 1648.5 | 15/2/62) -2 -3 +9 -10 +2 -14 -14 SWITZERLAND -10 +10 +25 +4 -30 -5 +8 +10 -30 242,8 (17/11) Cer-Buhrlia Piralli Sandoz (P) Sandoz (P) Sandoz (P) Sandoz (P) Sundoz (P) Swissari Swiss Bank Swiss Bank Union Bank Winterthur Zurich Ins 1,246 914 4,300 316 244 558 305 6,050 890 9,910 2,240 **NEW YORK ACTIVE STOCKS** +3 +0.1 +1 +9 +0.2 -1.0 +4.3 +1.3 +1 Stocks treded 1,673,300 1,387,400 1,252,800 1,069,600 982,300 Change Clesing en price Ony 33% +13, 14% - 3, 61% +1 30% - 3, 33% - 5 +2 +4 +3 +3 day + 1 + 1 + 1 + 1 + 1 Stocks 1raded 801,300 705,900 704,100 703,000 695,900 -45 223 30 30 364 55 (**) Sat. Feb 20: Japae Std. Oil Calil.... Sony IZM Contl. Illioeis +3 +55 +25 +25 Illipeis MOTES Prices individual exchange suspended, and Ex xa Ex all. +10 +10 +40

Stocks mainly firmed in lively trading aided by renewed hopes of a cut in West German interest rates, and also the overnight Wall Street upswing. The Commerciack index put on 32 to 7027

A trigger for the stock market hopes may have been Bundes-bank's announcement that it was taking interest tenders starting at 9.5 per cent for a 35-day securities repurchase agree-

A fall in the French Call Money rate to 141 per cent from 142 and the sharp overnight Wall

helped sentiment.
The start of trading was again delayed for 15 minutes by an influx of buying orders for the compensation rights companies being nationalised.

After manging only a modest early improvement in response to Wednesday's Hong Kong Budget and the overnight good rally on Wall Street, the market encountered subsequent selling and finished slightly essier on

been disappointed with the limited price gains recorded

Investors were said to have

2.12 on the day.
Turnover was again thin, amounting to HK\$175.45m on the four exchanges, compared with HK\$95.30m in the short Wednes-

Indian tea consumption drive urged

INDIAN TEA producers, with resolved now feel that in order to suslain a rising tempo of output active steps should be taken immediately to expand the internal market.
Increased output has become

essential to contain costs now rising at a serious rate. The Sixth Plan ending in 1984. additional output of 25m to 35m kilns of lea and an additional

export of 10m to 11m kilos. This means the domestic market must expand to absorb an additional quantity of 20m to 25m kilos per year.

India is currently consuming around 350m kilos, a large part nf a total output of 570m kilos. But per capita the consumption is still below & kilo, one of the lowest per capita consumption figures in the world.

The Indian tea industry feets that there is sufficient scope to raise this figure appreciably in the short term.

The Indian Tea Association and the United Planters Associalion of South India have together commissioned a market survey from a consultancy firm of the areas which promise

to he high lea drinking centres. Meanwhile two committees which were set up last year to chalk out strategies for export promotion separately for bulk tea and tea in value-added form which are being scrutinised by the Indian Government.

Jute mill dispute worsens

INDLAN JUTE mill owners have ben given a March 11 deadline to meet the demands to a nearly 300,000-strong workforce in the industry who have been threatening to go on strike against the Industry's refusai lo pay a 20 per cent bnnus, fixt right work norms and proper grades and scales

In the event of the industry refusing to comply the unlons will decide when and how to

launch a loial strike. Far from meeting the workers demands, the industry has already declared a lock-out in 12 mills, throwing some 60,000 workers out of employment. The Government has been asked to take over the closed mills and reopen them as part of a policy nationalise the industry

Rubber producer Extra coffee scheme welcomed

ruhher market was "very favourably received" by Malaysian Ministers in recent discussions, Mr Ronoie de Mel. the Sri Lankan Finance Minister, sald in Kuala Lumpur yesterday.

He said the scheme for co-

ordinating production and engaging in collective marketing, was discussed with the Prime Minister. Datuk Ser Mahathir Mohamed and other ministers concerned.

Mr de Mel said his country was in favour of establishing a special secretariat to study the matter and develop a coordinated approach to rubber.

to have an association of producers if necessary to allow producers to take more positive setps. Otherwise, we are always at the mercy of the hig international rubher mono-

polics," he explained.

Mr de Mol did not claborate on the relations between the proposed scheme and the existing Association of Natural Rub- the producers have ratified the Countries pact Producing

A SRI LANKAN scheme aimed at hoosting the depressed conclusion of the international ruhher market was "very Richer Agreement thrial between producers and consumers in 1979.

He said "very little positive action has been taken" by the ANRPC but added it could possibly be revitalised.

Wong Sulong writes front Kuala Lumpur: An EEC request for an extension of the final ratification date for the Inca April will be discussed, at a special session of the International Rubber Organisation Ilnrol here on March 5, Mr K. Algamar, Inro's executive direc-

tor, confirmed yesterday. The EEC has told inro that the extension for ratification is necessary to enable Belgium and Italy to get the necessary parliamentary approval.

It requires 80 per cent of the votes from both the producer and consumer countries to for-malise the Inro operations, and so far only 70 per cent uf the consumers and 79 per cent of

Tin production cuts inevitable-review

BY JOHN EDWARDS, COMMODITIES EDITOR

THE TIN buying group, that national Tin Council huffer last July, will have to stop purchasing operations later this year, according to the annual review of the onetal markets. issued by Hargreaves and Williamson, London commodity

brokers. The review predicts that the cash price of tio will collapse to below £7,000 a tonne - a forecast that came close to being realised yesterday when tin prices collapsed again.

David Williamson calculates that at the end of 1981 the group held the world's tin surplus some 35,000 tonnes. demand down, and production up, this could rise to 70,000 tonnes (valued a) £600mit by the end of this year and still more in 1983.

As a result, he sald, production cuts are inevitable, tion in 1982 copper production Either the group will have to at its Atizona and New Mexico pass the buck to the Inter- mines.

has dominated the market since stock, triggering off the likelihood of export controls, or a producer cartel will have to agree on output reductions. Otherwise the review sees a

fairly subdued year ahead in the metal markets, with few fireworks. Any surprises. it forecasts, are likely to he politically inspired, hut gold might provide a trigger.

 In New York, Phelps Dodge said it will shut down the second of three reverheratory furnaces at its Dottglas, Arizona copper smeller indefinitely on February 28 hecause of a shortage of concentrates.

The smelter processes 1,800

short long of concentrates daily at full production. One furnace at the smelter was shut down on January 3 after Phelps Dudge announced a 28 per cent reduc-

quotas released

THE International Coffee Organisation (ICO) 15-day average indicator price rose to 135.02 cents a pound yesterday, breaching the 133 cent irigger level for increasing 1981-82 (Oct-Sep) ICO export quotas. As a result 672.181 bags (60 kilos each) bas been added to the 56m bag total quota. Reuter bag tolal quota, Reuter reports.

The therease is being dis-

tributed among exporting members in equal parts of 224,060 bags between the remaining three quarters of the coffee year, including the January March

As the world's leading producer, Brazil gets the higgest quota increase at 193.347 hags (for the whole coffee year). Next comes Colombia with an and Malagasy producers with 81,081, indonesia with 28,690 and Mexico with 23,813.
Making the announcement

in London, Sr Alexandre Beltrao, the ICO executive director, pointed out that the current price was 40 cents ahove the level ruling at the heginning of September last year, hefore 1981-82 quota negotiations hegan.

On the London futures market yesterday the May position gained £16.50 to £1,302 a tonne. Dealers said the quota release had been expected and had little market impact.

New powers to control warble flies

By Our Commodities Staff THE Ministry of Agriculture has been given strnnger powers to guard against British cattle being hil by heavy infestations of warble flies-whose griths spoil animals bldes by hurrowing any through them.

From March 15 infestation will become a notifiable disease. The Ministry will be able to nrder treatment of all cattle on premises where an infestalian has occurred and restrict cattle movements from such premises.

The latest moves represent a further slage in a campaign lo eradicate warble flies from Britain which was begun in the autumn of 1978, During that time the number of infested animals has shrunk from 38 per cent to 1 per cent of the total

FARMER'S VIEWPOINT

Where to spend it

after a while they pass off.

reading the NFU's resction to the last word in coodernity. There are of course always agriculture. It showed, I improvements that can be improvement that can be made, manufacturers bring out lhought, by comparison with made, manufacturers bring out much else in our society, a fairly favourable picture. Farm income up by 14 per cent to nioney terms even 1.5 per cent in real terms. Bank lending is up 10 f3.4bn or sn average of f15,000 per holding about 10 per cent uf the land and tenants can be kept in efficient work the corresponding to the average 130 acre. capital of the average 130 sere coore profit it is earning. Itulding.

these Islands, and very few are that confidence is at a high is besieged with offers. The agricultural colleges and universities are bulging of the confused by what I would call

ONE OF the farming pundits own.
of my youth, when asked for Yet Sir Richard Butler,
advice un investing, would President of the National
respond in these terms: There Farmers Union (NFU) respond in these terms: There remers Union INFU) are moroings when I wake up deplored the fact that Investment an unaccountable urge to go out and buy something; a lines is down by 18 per cent and tractor, a new building or even 23 per cent respectively. This, a shuvel. The nnly cure I have found for the symptoms is to fruin NFU headquarters and I walk geotly around the farm and question whether it is really after a while they pass off. valid. By comparison with Ite was of course speaking in farms I have seen in many parts the depression in the thirties, of the world, British farm but I was reminded uf it when machinery, and buildings are

tulding. Few farm coachines
This must make farming the worked continuously all most undergeared industry in year round in the way in which a milking machine does everyfarmers are guing under at the day. Oo my own farm the only nument. All the lodications machines which work daily are machines which work daily are the feed mill, and the electric Farm land atill costs fencing units which keep my

agricultural colleges and universities are bulging at the seams with young people for whom there can be little if any chance of ever getting near a feat and of the months of the seams of of ever getting near a farm, design. And that it has been let alooe farming one on their superseded by a more efficient

one. Some 15 years ago I put design of a very practical farmer. No sooner was this completed than I found that coy oventor had changed his mind. bulldozed down the buildings that I had copied, and put up ooe that was completely different

I am still stuck with the earlier design which works but labour savings I might have made would be overcome by the increased costs of the new buildings at present interest rates. Piga are not among the products guaranteed by the CAP, so they are a gamble In any case I have another

precept nagging oo my con-acionsness which stems from ooy friendship with a French landowner. He used to say to me, "The only farm invest-ments to be countenanced are in land and livestock which can grow into money. Buddings crumble and mschinery rusts away." It was guod advice in the late '40s and '50s but needs some qualification today,

cottrse. commodity. The gold price has : you put in? halved in the past two years while land prices have

although that means they are actually dropping in real terms. It is also evident that unly land of the best quality is holding

its value, secondary parcels are very difficult tu setl. Even so, land looks to be a better bet than livestock as a means to holding capital together. The installation, or extension, say, of a dairy or pig is very labour intensive: But if herd, if that is what more in-I changed to a later model the vestment means, is very much an individual decision. At the very least it entails a great deal more work and worry and the final product is in danger of

adding to a surplus. A sensible investment would be the reclamation of bog moorland, or even the readjustment of field boundaries by the removal of hedges. But these moves are now the target of environmental anger.

their conservative Bv approach to investment, farmers are probably being sensible. They bave read how Danish farmers invested to such an exteni a few years ago that they are now in deep trouble. Some stratching themselves with bor-Land will always be there of rowed money freely offered by course. It can be considered the banks. But the great majorrowed money freely offered hy rather better than gold as a ity prefer to use their cash for hedge against inflation now other things. After all what is that gold has been demonitar the use of having a farm unless other things. After all what is ised into a common-or-garden to take out of it more than

John Cherrington

British farm land values becoming eroded

BY OUR COMMODITIES STAFF

THE PERFORMANCE of values was not going to be south-west sod the west Mid- Weekly and Estates Gazetle in British farm land over the last short-lived and offered land at lands. Collaboration with Oxford Unitwo years failed to justify their more realistic prices. Prices reputation as a reliable hedge asked in 1980 had often been against loffation, according to "over optimistic," it says. Farmland Market magazine.

vacant possession farm laod age, the magazine 5378.

averaged £1,821 an acre at sales last year, 4 per cent down from group fell 6 per cent to £2,431 the 1980 figure and slightly below the £1.82S an acre recorded to 349 acre category were 14 months of 1981 the average was acre. still lower at £1,805.

off their present plateau during the current year, the magazine

The decline is all ributed to B far wider cross-section of farms coming on the market last year. In addition. Farmland Market south-east averaged 9 per ceot more than 10 1980 and small accepted that the recession in

Tremendous variations lo its latest issue it says prices are masked by the averao acre aod those in the 250 In the second six per ceot cheaper at £1,707 ao

There were also wide regional-Prices are unlikely to move variations. The average price in Wales was down 15 per cent in 1931 while the figure for the north of England was down. 9 per ceot and that for the east

down 7 per ceot. In caotrast farms sold in the

Farmland Market is pub-lished twice a year by Farmers tural Economics.

Plan to boost UK potato sales

BY OUR COMMODITIES STAFF THE Government is putting up duce will be eligible. If it is £150,000 to back a plan to boost successful the promotion will sales of top quality British be extended to the rest of the potatoes, Mr Peter Walker, the country in later seasons. Minister of Agriculture, an-

iog Board.

The cost of the scheme will be shared between the Ministry

nounced yesterday.

Io a written Parliamentary of Agriculture and the PMB. reply he said the more was The Ministry's contribution will being made in response to an he made through the Central ioitiative by the Potato Market Cooocil for Agricultural Cooperation

The PMB scheme will begin the Board is arranging this year with a market test consultative meetings with all in Scotland promotiog a sectors of the potato trade national brand of potatoes for before drawing up detailed

Solvabend Oil-March 1813,181 2 [18,25], May 18,83-18,85 (18,92], Juty 19,47, August 19,75, 3ept 19,95-20,00, Oct: 20,15-20,25, Occ 20,06, Jan 20,80,

Oct 20.15-20.25, Oct 20.06, Jan 20.80, March 21.25.

1Wheat-March 348*-349*- (348*-), Mey 362*-253 [362*-), July 374*-274*-, Sopt 390, Oct 410*-411, March 427*-158*-46*-March 786.0-789.0 (797.8]. April 799.0, May 306.0-810.0 July 826.0-821.0, Sept 849.0-821.0 Oct 887.0, Jan 889.0. March 906.7. May 928.4

BRITISH COMMODITY MARKETS

BASE METALS London Metal Exchange, with the sole exception of Tin. In a very active mg s Consona of £20, with forward metal at £7,375 and spot down sarrely is £7.395. Copper closed at £866. Lead at £340, Zinc at £442. Atuminium

COPPER Official - Unofficial -£ £ £

st £526 5 and Nickel at £3.155.

Cathodes | Cash ... 835,3-4 -7.75 | 853-3 -6.25 | Standerd, three months | 17.410, 0 | 7.370, 80 | Turnovor; 3.410 tonnes. Settlem't | 854 -8 | 76.5-82 | | 76.5-82 | | + or p.m. + Amelgamsted Matel Troting reported that in the morning high grade cash copper tieded at £559.50, 59.00, 58.00, 57.00, 56.50. Three morning £883.00, 88.50, 89.00, 88.00, 87.00, 86.00, 85.00, 89 50, 89 00, 88 00, 87.00, 86.00, 85 00, 85.50. Cathodes, cash £354.00, kerb-higher grade, three months £884.00, 03.00, 02.00, 01.00 80 00, 80.50, 81.00 82.00, 82.50, 83.00, 82.50, Alternoon; Higher grede, three months £884.00, 84.50, 85.00, 54.50, 64.00, 84.50, 94.50, 10.60, 84.50, 85.00, 87.00, 87.00, 87.00, Turnover:

23,625 tonnes.

| LEAD | Official | - Unofficial | Cash 329.6-30 -2.0 328-5 -2.25 3 months 340-1 -2.26 339-5 -1.25 aettlem't 330 -2 -2 -28 Last—Morning: Ceoh £329,00, 29 50,
Three months £342,00, 41,50, 40 00,
40 50, Kerb: Three months £339,00
Alternaon: Three months £339 00, 38,50,
39 50, Kerb: Three months £341,00,
40,00, Turnover: 5,675 tonnes. Tin-Morning: Standard, cash C7 975, 7,750, 7,700. Three months £7,725.

7,700, 7,660. High grade, three months £7,700, 7,690, 80. Kerb Standard. cash £7,560.50, 7,600, 7,550, Three High Grade E E E Coah 7700.20 -425 7500.40 -775 8 menths 7670.90 -55 7580.90 -310 Settlemit 7720 -430

Standard

months £7,620, 20, 7,580, 90, 50, Alternoon, Stonderd, cosh £7,400, 7,390, Three months £7,560, 40, 20, 10, 7,500, 7,480, 7,480, 50, 40, 50, 80, 7,500, 7,450, 30, 7,400, 7,390, Kerb, Standerd, three months £7,410, 00,

Zinc—Morning, Cash £436 00, 34.00 Three .months £443.00, 42.50, 41.00, 40 50, 40 00, 40 50, 41 00, Kerb. Three months £440 00, Allamoon: Three months E440 00. Altarnoon: Three months E430 00. 40 00. 40.50 41 00 Kerb: E441 00 41.50. 41.00. Turnover. 5,300 Jonnes.

Aluminum—Morring: Cash Ex73.00.

Three minis E598.00. 97.00. 97.50,
97.00. Kerb: Three months C595.50.
95.00. 94.50, 34.00. 94.50, 35.00. Alternoon: Three months E595.50, 96.00.
95.00. 96.00. Kerb: Three months E597.00. 98.00, 99.00. Turnever. 8.000

Bank of Ireland

announces that with

effect from close of

business on the

26th February, 1982

its

Base Rate for Lending

is reduced from

14% to 13½%

per annum

Bank & Treland

Nickel—Morning: C4sh E3,095, 3,100, 3,108. Three months E3,120, 25 30, 35 Afternoon: Cash C3 115. Three

NICKEL a.m. + or p.m. + or official — Unolitical — unolitical — unolitical — official — unolitical — official — unolitical — official indicate official offi

menths £3,130, 35 40, 45, 50 | l erb. Three months 3,153, 60, 50, 55, 60 55, Tutnovor 798 tonnes. * Cents per paund. | MS per kilo. | On previous unofficial class.

SILVER

Sept...

Silver was hired 4 1p an ounce higher for apot delivery in the London bullion market yestetdov. at 439 3p. U.S. cent acquivalents of the bung lovels were, apot 803.3c, up 7 3c; throe-month 831.5c, up 8 7c; sir-month 861.1c, up 6 3c; and 12-month 921c, up 8 5c. The metal opened at 437-441p (803-808c) and closed at 433-427p [794-799c].

	aullion fixing price		LM.E. p.m. Unolfic	_
Spot	439.30p		435.25	
3 months. 6 months.	468.35p	+5.55	_ `	3 - 1.23
12monthe				<u> :</u>
10,000 oz	nnover s. Morni			
454.0, 54 5	S5.0, S	4.ś. S3	.0, 53.5,	33 3 .
53.4 Ker Alternoon:	p: Three			
SDD 50 S				

COCOA

Futures initially remained stead, but a lack of follow through prompted profit-taking. Actuals business was opin quiet, reports Gill and Duffus.

 Meren
 1203-04
 +2.5
 1220-94

 May
 1163-64
 -3.0
 1173-59

 July
 1182-83
 -3.0
 1190-80

 Seot
 1195-36
 -2.0
 t200-94

 Ilec
 1201-t1
 -105
 t220-11

 Morch
 1226-27
 -7.0
 1235-27

 May
 1338-48
 -1.5
 1240
 Seles: 2.493 | 3.183| lots of 10 tonnes. ICCO—Doly price tob 5eb 25: 95.11 (95.34). Indicotor price for Feb 26: 84.35 [84.36].

COFFEE

Encouraged by a lirm New York close. London aponed (20-25 ligher reports Oreael Burnham Lambert. Commission house buying and short covering triggered some miner stops but dealer proliticating and rester testance prevented a major breakthraine above (1,320 basis May. The phical coffee quote release influenced some long incudation.

January.... 1190 05 - 15.0 March... 1175 00 - 15.0 Sales: 5.684 (2,255) tots of 5 tonnos iCB Indicator prices for February 24 (U.S. can'ts per nound); Comp. dalv 1979 134 37 (134,28), 15-day average 135,75 [134,59].

COTTON

LIVERPOIL — Spot and shipment sales amounted to 100 tonnes. A little more interest was displayed in available growthe, but it is office remoined small. Oemand centred on Notit and South American styles, with menge support in Alincan and Middle Eastern

Month	close	7-01	Oone	
	5 U.S.			•
	per conne			
ebruary .	258.00	-2.50	192,00-90,00	
arch	269.75	- 1.25	271,25 68.00	
pril	261.00		265,25-52,00	
1ay	259.75		26 t.75 59.50	
une			262,25-61,00	
uly			202.00 62.00	
ugust	264.00	0.25		
ept	268.50	T 0.75		
ct	269.00	+ 0.50		
Turnover:			001 to •10	

GRAINS

trading in a marrow rande

	ports.	OWE IN C	new crop	Whest.
WHEA	т			BARLEY
Mnth	Yesterd'y closc	* +or	Yest rd y	+ or
Mar May July Sapt .	109.90 114,25 117.90 106,30	- 0,40 + 0,05 - 0,10 - 0,05	105.80 110.15 102.25	-0.26 +0.15 +0.10

Nov.. 110.15 — 106.00 ... Jan.. 113.95 —0.05 109.75 .0.18 Jan. 115,95 - 0.05 109,75 - 0.05
Businoss done—Wheat: March 109 80109 55, May 113 25-114,05, July 117 80117 75 Sept 100,50 only, Nov 110 15
oil v0 tonnos Barley: March 106,00105,75, May 110 15-110,00, Sept 102,15102 IS, Nov No trudes, Jan no trades,
Seles: 102 lots of 100 tonnes
LONDON GRAINS—Wheet: U.S. Oork
Normern Spring No. 1 14 per cent LONDON GRAINS—Wheet: U.S. Oork Normern Spring No. 1 14 per cent silloat 112 25. March 120.75, April 112 transhipment Eost Coost aeilers U.S. March Winter 137; per cent March 120.75 per cent March 114 and 13.75 paids Eost Coost. March 114 and 13.75 paids Eost Coost. March 114 and 13.75 paids Eost Linch 114 and 13.75 paids Eost Linch 114 and 13.75 paids Eost Linch 111 Eost Coust Sept 103. Oct 108 East Coost sellers Resr unquoted. HGCA—Locat on us-larm spot prices. Feed berley: 5 West 105.50 W Mida 107 CO. N West 107.00. Tho UK Mone-tery Coefficient for the week beginning tery Coethgrent for the week beginning Monday March 1 is expected to change to 0.919.

RUBBER

The London physical market opened should steadler, attarcted little interest rhroughout the Jay and closed very quiet. Lewis and Peat recorded a March lob price for No. 1 RSS in Kuala Lumpin of 202 5 (2015) cents a kg and SMP 30 181.0 (180.0)

April ... 46.30.47.00 45.70.45.80 48.50 May ... 47.20.45.00 46.50 47.00 ... 47.10.47.20 45.00 46.50 47.00 47.20 47.20 47.30 47.30 46.50 45.70 47.40 47.20 47.50 50.50 50.50 50.60 50.60 50.60 50.00 50.50 50.50 50.50 50.60 50.60 50.00 50

Sales: 212 (202) lars of 15 tonnos. 1 (22) lots of 5 tonnos. Physical closing ordes (buyers) were: Spot 46 60p (44,75p): April 49 00p (48,50p): May 49,00p (48,75p).

WOOL FUTURES

BRADFORD—Business was only loir, with same difficulty seen in raising sulling prices. The upward praesure on prices came from the wool and, with currency occosionally an influence although thero is no substantial move-LONDON NEW ZEALAND CROSS-

GAS OIL FUTURES
The market opened unchanged before strengthening on technical library New York market Towards the close prices elead on the fack of fellow-through and the fellow-throu SYONEY GREASY WOOL—Close (in order, buyer, seller, business). Austration cents per kg. March \$10.0, \$11.0, \$11.0-\$07.0; May \$14.5, \$15.0, \$14.0-\$13.0, July \$25.5, \$28.0-\$22.0; \$15.0, \$28.0-\$22.0; \$25.0, \$26.0-\$25.0; March \$28.5, \$31.0, \$30.0-\$28.5; May \$22.0, \$21.0, \$30.0; \$40.0-\$28.5; \$21.0; \$30.0; \$40.0-\$18.5; \$21.0; \$30.7.

SOYABEAN MEAL The marker opened slightly easier, reports T. G. Coddick. Prices remained in a narrow range in dull conditions.

	Yeslardye Close	+_or;	Susinese Done
	per tonne		170 70 50 70
April	122.80 94.0	-0.60	198,40-28.60
August October	, 128, 98 -29,0	0.45	
Oec Feb			151.70
April		+ 0.25	

SUGAR LONOON OALLY PEICE—Row sugar E163.00 tE167.00t a lonne cil Feb-March-April shipment. White augus daily price E171.00 (£175.00). Shurtcovering developed at the lower levels and prices recovered, reports C. Czornikow.

Sales: 139 [124] lots of 10 tonnes.

No. 4 Cen- lract	Yesterday close	Pravious close	Businese done
March		r tonno. 161,25-61,40	162_0 0 -03.00 ⁻
day	161, 15-67,25 116,25-70,35	162,58 68,58 116,58 71,00 174,25-74,58	188,25-65,58 112,00 62,60
en en derch	175.15-18.08 179-25-18,50	175,50-18,00	110,75-78,00
dav	182.00 62.50	102.15-86.00	102.99-81.56

Soles: 6,339 [6,025] lois of 50 tonnes.
Tate and Lyle delivery orice for granualted basis white tuger was 6374.00 [aume] o torne leb for home trade and £273.00 [£277.00] for export. Internetional Sugar Agreement (U.S. cents per pound) lob and slowed Cambbean ports. Protes for Feb 24: Oaily price 12.21 [12.45]; 15-day overage 13.10 [13.16].

POTATOES

ASTORAGE ASTORAGE AND PRIVATE ASTORAGE AND PRIVATE AND THE STATE ASTORAGE AND PRIVATE ASTORAGE ASTORAGE AND PRIVATE ASTORAGE ASTORAGE AND PRIVATE ASTORAGE A frintraded). Turnovar: 1 lots of 40 tonnes.

GRIM3BY FIRH — Supply good, demand good. Prices at ship's side (unprucessed) per stone: Shiell cod (250-14.40 codings F2.80-25.50; targe heddock C2.80-14.40 medium £3.40-14.40 medium £

MEAT/VEGETABLES

MEAI/VEULIABLES

Scorch killed sides 86 0 to 89 0 Veal:
Outch hinds and ends 116.0 to 125.0.
Lemb: English smalt 81.0 to 87 5,
medium 81.0 to 84 0, heavy 72.0 to
84.0. Scotch heavy 72.0 to 84.0.
Imported New Zesland PL 65.0 to 66 0,
YLs 64.0 to 65 0 Cork: English, under
100 to 42 0 to 56 0, 100-120 to 48.0 to
55.5 120-180 to 42.0 to 54.0, Harses:
English, large (each) 320.0 to 350.0.
MEAT COMMISSION — Average batelock pinces 81 representsitive markets.

PRICE CHANGES in tonnes unless otherwise stated.

Fab. 86 + or Month

Grains
BarleyFut. May £110.16 +0.16 £111.80 Wednesday's closing prices
Meize
Wheat Fut. May £114.25 +0.65 £116.60 ††Cocos Merch 1964 (1935), May Aug
No.2HardWint £118.00x -0.50 £117.60 1933 (1976), July 2022, 50 pt 2875, Oec Fab

GB—Cattle 101.73p per kg lw | ±0.28]. UK—Sheep 204.82p per kg esi dow | ±0.11). GB—Pigs 78.71p per kg lw | ±0.51).

| +0.11). GB—Figs 78.71p per kg tw | +0.51).
| COVENT GARDEN—Prices for the butk of produce, in sterling per package except where otherwise etatad-imported Produce: Oranges—Sponia: Navels 40.00. 24.50. 30; Shemout. 60/168 4:70.5 60; Meroccant: Navels 48/113 3.60-7.00; Moroccant: Navels 48/113 3.60-7.00; Moroccant: Navels 48/113 3.60-7.00; Moroccant: S.00. 6:50. Mandarine—Spans: 3.80-4.40, Karas 4.80-5.50. Wilkins—Spans: 4.80-4.80. Temples—Joffic: 32/81 4.03-8.60; Minneolse—Cyprict: 52/72 6.80-6.50; U.S.: 73/100 8.50. Lemons—Cyprict: 250-3.00; Spans: 40/50 1.80-2.00; U.S.: 73/100 8.50. U.S.: 73/100 8 0.45-0.50.
English Produce: Potatoss—Per E5-lb.
white 2.50-3.20. red 2.50-3.50, Kmg.
Edwards 3.00-3.80. Mushrooms—Per
pound, open 0.30-0.40, clead 0.500.60. Apples—Per pound, Bramley

0.18-0.26, Cox's 0.22-0.32, Sporten'a

which only high quality pro- plans for the scheme.

AMERICAN MARKETS or me U.S. consumption repert. The livestock was lower on demand concerns and expectations of increased sleughter, Healing of firmed on tightness is nearby supplies, reported Heineld.

EUROPEAN MARKETS

ROTTEROAM, Fébruery 25

Wheet—(U.S., S. par jonna): U.S.
Two Oark Haid Winter 13.5 par cent: March 193, U.S. Ne. Two Red Winter March 193, U.S. Ne. Two Red Winter March 192.50, April 195.50, U.S. Ne. Threa Amber Ourten Spot. 214, March 200, May 184, June 483, July 185, U.S. Ne. Two Northern Spinng 14 per cent: Protein: U.S. acoat 250.228

No. Two Northern Spinng 14 per cent: March 230, April 227, April/Sept. 228, Nov/March 239 sellers. Brezil Pelleta: Fob March 203, May 181, Jene 181, July 181, Canaden Wastern Red Spinng effoat 220, May 205.

March 235, May 265, May 265, March 242, April 225, May 235, April/Sept. 235 eellers.

Cocco — (Ffr per 100, kiles): March 1965-1375, May 1375-1285, Selea et cell: 4.

Sugar — (Ffr: per tonne): U.S. Sept. 1325, July 1300-1975, Oct 1960-1975, Nov 1960-1975, Oct 1960-1975, Nov 1960-1975, Oct 1960-1975, Nov 2050-2066, 254, July 255, Z., Aug 257, Z., Sept.

FINANCIAL TIMES

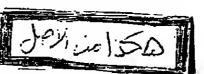
Fib. 34 Feb. 23 Month agolyear aco 245.78 C44.19 262.86 | 261.55

DOW JONES Jooes S4 23 ago ago Spot 128,23 126,84 127,64 -Futre 133,64 132,87 134,49 (Base: December 31 1974=100)

995,7 996,5 1002,3 1150,9 (December . 31, 1931-100)

1.50-1.80; Sweden Per net 0.80-1.00. Spreads: Per 20-15 3.00-4.00. Rhobarb Per posind; 14-15 box, 0.22-0.27. Leeks: Per 10-15 1.00-1.40. Parkinps: Per: 98/28-15 1.00-1.80; Tomatos: Per 26/28-16 1.00-1.80. Tomatos: Per

9 20-0.25, Russets 0.20-0.25, Pears-Par pound, Conference 0.14-0.22, Comics 0.20-0.30, Cabbegss—Par 30-ib bad, Catter/Jan King 2.00-3.00, Latture—Par 12 round 3:00-180, Onions—Par 55-lb 40/80 mm, 2.00-2.80, Carrots—Par 25/28-lb, 1.40-2.20, Sessiroots-Per 28-lb, round 1.00-1.20, long



NEW YORK, February 25.
The precious metals tweekened on continued begins sentiments Copper railised on short covering based on an oversold condition. Trade boying touched off short covering mager. Cotton was stady on extrung up shead of the U.S. consumption report. The

Heineld: Cepper—Merch 70,15-70:30. (70,20), April 71,25 (71,25), May 72,23-72,25, July 74,15-74,30, Sept 78,15, Onc 78 80, July 74,15-74,30, Sept 78,15, May 93,20, July 84,96, Sept 86,70, Oec 89,30, Jan

90.15.
Potatoes (round whites) - March 80.0 Jan 869.0 March 908.7 May 928 4, 17.8), April 83.4-83.8 (82.7), No. 77.2 July 948.1, 3ept 967.6, Osc 997.3, Jan 80.72. Handy and Herman bullion: 5ugar—No. 11: March 12.70-12.72 795.00 (790.00).

EUROPEAN MARKETS

INDICES

(Bese: July 1, 1962-100).

REUTERS Feb. 24 Feb. 25 Month ago Vear ago Fab. 25(Feb. 24 M'nth ago Year ago 1603.2 1607.8 | 1685.6 | 1737.4

(Bess; September 18, 1931=100)

Successful Amersham debut highlights volatile equity prices influenced by ICI results-Gilts resume advance

Account Dealing Dates

*First Declara- Last Account Dealings tions Dealings Day Feb 15 Feb 25 Feb 26 Mar 8 Mar 1 Mar 11 Mar 12 Mar 22 Mar 15 Mar 25 Mar 26 Apr 5 "New time" dealings may take place from 9.30 om two business days

A highly successful debut for Amersham, the radioactive chemicals group floated off by the Government last week, provided the only positive feature in 6 day notable for fluctuating London equity values. Leading London equity values. Leading shares were encouraged by Wall Street's overnight trend and got off to 6 more promisiog start broker losn rate reduction, late than recently, although early overnight firmness in U.S. bonds, investment interest was almost easier UK credit cooditions and entirely ceotred on Amersham.

Here the scene was reminiscent of last year's Cable and Wireless and Britsh Aero-space flotations. Initial business was hectic with sustained stag selling eagerly absorbed by institurtional investors wishing to top up beavily scaled-down applicaaround 190p, Amersbam essed to 186p as the early flush of enthusiasm subsided before bardening again late to settle at 188p for a premium of 46p on

the issue price.

Away from the Amersham pitches, the scene was more mundane. Leading industrials found the enhanced opening levels difficult to bold and twroed distinctly dull following ICI's preliminary results. The group's profits and dividend were well received, but the accompanying statement on current prospects generally beld up quite well left the market nervous about Barclays preliminary figures due the future and ICI, 332p initially. statement on current prospects left the market nervous about

Gold Mines ..

Ord. Bly. Yield.

P/E Ratio Inet) (")...

Illustrating the overall volatility in leading shares, the FT Industrial Ordinary share index was 6 points up at 10 am, 3.4 down at 1 pm, and finally 0.8 lower on the day of 551.8—the close largely reflecting aboveaverage falls in Thorn, EMI and

Government securities sumed their advonce after the previous two-day shake-out. Contributory influences to yesterday's turnround included revived hopes of lower U.S. interest rates following a mojor aided the upturn and, in thin trading, longer-dated stocks rose a point, while the shorts established gains extending to 4; exceptionally, Treasury 81 per cent 1984-86 moved up a point to 831, small demand finding little stock available.

Composite Insurances plotted on irregular course in moderate trading Awaiting Monday's pre-liminary results, Royals lost 4 at 356p, while General Accident, which report annual figures two days later, cheapened a couple of pence et 314p. Revived speculative support belped Eagle Star to rally 4 to 374p.

The major clearing banks traded quietly in the wake of the base rate reductions and

66.48 66.46 06.48 65.53 65.33 71.13

13,54 7,61

651.8 362.6 559.0 668.2 362.3 562.2 497.8

266.5 256.0 249.4 256.0 261.3 262.5 342.4

5.48 5.40 0,45 9.72 9.57 6.60

24,369 20,100 21.567 19,198 16,991 17,986 96,004

- 150,64 139,98 126,84 101,05 136,47 171,29

- 16,865 17,488 16,041 12,360 13,868 21,708

S.E. ACTIVITY.

16.24 13.32 13.45 13.67 13.54

8asis 100 Covt. Seca. 15/10/26, Fixed Int. 1928, Industrial Ord. 1/7/25.

10 am 558.6, 11 om 557.2. Noon 554.6. 1 pm 549.2. 2 pm 549.4. 3 pm 550.4. Latest Index 01-246 8026.

High | Low

597.3 446.0 597.3 49.4 5day Avrgo. (58/4,81) (14/1/6)) (30/4/81) 128/8/40 Bargains. 426.0 249.4 556.9 43.5 Equities. (14/3/01) (23/2/8/2) (22/8/80) (28/19/7) Bargains... Value... Value... Value... Value... Value...

The table below gives the rates of exchange for the U.S. dollar against various currencies as of Wodnesday, February 24, 1982. The exchange rates leated are middle rates between buying and selling rates as quoted between behalts, aniess otherwise indicated. All currencies are quoted in foreign currency units per one U.6. dollar except in certain specified area. All rates

FINANCIAL TIMES STOCK INDICES

5.54 0.82

5.68

0.88

Mines 12/6/56. SE Aptivity 1974.

HIGHS AND LOWS

Nigh | Low

360 340	PENCE	IC	I	Sha	· re	Price	•						A
320 300		Ĺ							· :,			L	1
280	<u> </u>		H		V	W	٨	k		N	V		
260 240	-								•				
220	<u> </u>	- M		M	J	_	A	\$	0	Ň		3	

486p, while Lloyds softened 2 to 488p ss did Midland, to 338p. Elsewhere, First National Finance Corporation edged for-ward a fraction to 384p following further speculative support.

Breweries took a modest turn for the better, although late sentiment was not beloed by the suggestion from the Brewers' Society that the 1932 beer market will decline by at least between 2 and 3 per cent between 2 and 3 per cent.

Buildings were unable to shake off recent lethargy, but the tone improved and the leaders managed small gains. The prospect of cheaper mortgages stimulated support for selected housebuilding issues ond Barratt Devalopments firmed 3 to 240p, while William Leech put on 4 to white without the state of the Ward Holdings encountered profit-taking and reacted to close a penny cheaper on balance at 53p; the Deferred touched 47p before settling o net penny down at 42p. Tunnel B shed 15 to 550p

Although ICI's full-year milts were deemed sanisfactory, the shares, as high as 332p early on and standing at 325p prior to the announcement, reacted to 320p on initial disappointment with the bearish statement on firmer-current trading before steadying up to close 2 dearer on belance at 32Sp. Croda Internstional pence to-ched 83p before closing unchanged on balance at 82p; (Great Burmah Oil's bid for the company has been extended until March 4. Among other Chemicals, Dixor-Strand put on 3 to 19p on speculative support in the wake of the managing director's

to equal the cash offer from

Fraser up late

day of Sir Hugh Fraser's resig-nation from the board induced fresh hopes about onother did for House of Fraser which, after easing to 164p in the early trade, rallied to finish 4 up on the day at 170p: Lonrbo, which had a protracted bid battle with Fraser before baving its offer vetued by the North Respective to the state of the state

were unmoved by the news and closed unaktered at 74p. Elsewhere in Stores, Readicathyrdened o penny to 191p following details of asset sales and Ramer Textiles bardened a frac-tion to 10p on the interim profits recovery. Amber Day firmed 11 to 14ip. after 16p, as the chair-man's cautious optimism on future prospects outweighed the interim dividend omissions and tbe first-half profits setback. Cornell Dresses added 5 at 177p and Ernest Jones put on 4 to 94p. In Shoes, Footwear Invest-ments added a penny to 79p, after 80p, on the half-yearly

figures. Plessey's third-quarter profits were at the higher end of the estimated range, but the shares fell on selling and lack of support to close 12 down at 355p, after 34Sp. Thorn EMI remained under pressure, following the previous day's fall of 7 with a decline of 18 at 450p. Racal gave up 5 to 353p, while GEC, after extremes of 823p and 810p. ended 7 off at 812p. Elsewhere In Electricals, BSR dipped 5 to 77p but Kede International firmed that much to 280p and George Scholes improved 7 to

Leading Engineers followed the general trend with quota-tions eosing back from higher opening levels. Tubes finished a net 2 lower at 116p, after 122p, while GKN settled a penny firmer of 161p, after touching 164p. Elsewhere movements were usually limited to a few pence either way. Satisfactory preliminary results left Rateliffs (Great Bridge) 3 higher at 75p, but Westwood Dawes fell 2 to 24p, after 22p, on the bigger annual loss. Simon Engineering eased 5 more to 395p and Moss Engineering 3 further to 102p, while Hebit Precision closed 11 lower at 15p in smaller-priced

Rowntree Mackintosh softened 165p.

Trusts displayed a narrowly

Trusts displayed a narrowly The late announcement yester. 2 to 164p despite the sharp individeod. Huntley and Palmer closed a penny off at 105p; Rown-tree's bid is currently worth Monopolites Commission, tively, while Tesco added a penny became relatively lively and also

speculative interest lifted Amos Hinton 10 to a peak of 320p,

Rock Darham better Rock Darham continued firmly

miscellaneous industrials, improving 2 for a two-day advance of 4 to 160 on news of a large charebolding changing bands which led to hopes of a "shell" operation. Bid hopes belped Wolverhampton Steam Lanndry to sdd 2 to 67p, while Hoover A firmed 3 to 93p on recovery hopes in the wake of the poor results. Johnson Matthey cheapened 9 to 263p on further consideration of the ird-quarter figures and Hallam Sleigh and Cheston met profit-taking and shed 3 to 10p. Stocklake came on offer and fell 7 to 113p, while Smiths Industries gave up 5 at 340p. The leaders closed mixed Bowater revived with on improvement of 3 to 250p but Unilever shaded that much to 650p; the latter's results are due next Tuesday.

Renewed speculative interest on bid hopes prompted a gain of 4 to 81p in Zetters. Motor Distributors

sgain, scattered selling and lack of support clipping 3 from Lex Service to 105p and 4 from Caffyos to 125p. Dorada shed 2 to 37p, Glanfield Lawrence 3 to 43p and T. Cowie 11 to 281p. Among Components, Kwik-Fit gave up 4 to a 1981-82 low of

CCP bid terms

Encouraged by the overnight improvement on Wall Street, dealers opened Oil shares higher but ran into selling at the higher levels. British Petroleum, up to 286p initially, reacted to close only 2 firmer on balance at 280p, while Shell finished 4 up at 348p, after 354p. Outside of the leaders, Ultramar came under salling pressure and eleged. under selling pressure and closed 10 lower at 390p, after 388p, on talk of a rights issue; the preliminary figures are due to be announced next Wednesday. Dealings resumed in CCP North Sea at 180p, compared with the suspension price of 145p. following the recommended bid from Charterhouse Petroleum worth around 192p per share. Charter-house closed 3 easier at 71p. KCA International encountered Support and put on 8 to 94p, but Atlantic Resources, 140p, and Eglinton, 45p, weakened 10 apiece among Irish issues.

Having been nervously sold down to 152p late Wednesday on rumours that the company had incurred heavy losses on the London Metal Exchange, Gill and Duffos opened at around, 160p yesterday and then picked up on the board's reported denial to end the day a net 7 easier at

187p in English Association provided the only movement worthy P and O Deferred advanced to

of note in Finoncials. 131p before easing back to 125p and settling ot 127p for a fall of a penny on the day. Elsewhere in Shippings, Ocean Transpor

NEW HIGHS AND LOWS FOR 1981/2 The following quotations in the Share information Service yesterday attained naw Highs and Lows for 1981-82.

NEW HIGHS (15) ERITISH FUNDS (2)
Each. Oupc 1882 Tres. 2 apr IL 2011
Norton Simon Inc. Outcor Outs
SUILDINGS (1)

FOODS (2)
Himos (A.)
INDUSTRIALS (4)
Wolverhar

NEW LOWS (42) STORES (1) Time Products
ELECTRICALS (1) INDUSTRIALS (2)

RISES AND FALLS YESTERDAY

NCR Group

puter manufacturer NCR Corporation, moved shead from £11.47m to £12.22m in the year

to November 30 1982. Turnover slipped from £103.62m to

The directors say that the company has entered 1982 with an increased order book, which

together with new product releases and marketing pro-grammes, gives an encouraging outlook for the year.

advances to £12.22m TAXABLE profits of NCR Group, the wholly-owned subsidiary of the U.S. based cash register, accounting machine and com-

£100.71m.

464 535 1,483

Amber Day ELECTRICALS (1)
Security Centres

HAT Group

Black (P.) Rijey (E. J.)

55p following the chairman's finished a penny down, at 117p terim statement. Further after 119p. Scattered losses in Textiles in cluded Coats Patons, 3 cheaper at 61p, and Parkland A, s similar amount off at 39p.

Reflecting the encouraging tenor of the annual report Imperial Group traded firmly and closed only a shade below the best with a gain of 2 at 84p. Bats, in contrast, finished 3 down at 428p, after touching 437p in the early dealings.

Golds rise afresh

Golds made further progress reflecting the recovery in the bullion price which touched \$368 per ounce before closing at \$366.25, up 2.5. The Gold Mines index rose 7.3 to 265.3. Sentiment was also helped by the continued strength of the Financial although price rises were some shortage.

Heavyweights again finished with gains ranging to a point such as Hartebeest, £231, and President Steyn, £144, while President Brand firmed 4 at

Stilfontein, 683p, and Doornfon-tein, 751p, added 25 apiece and Grootviel improved 21 to 383p. South African Financials wer urietly traded and closed below the best in most cases, but "Amgold" retained a rise of \$

reflecting overnight selling in domestic markets. MIM, which announced a major rights issue earlier in the week, lost 5 more to 15Sp. Bond Corp. succumbed to seiling on fears about the company's financial footing and fell 18 to 90p, after 87p; Mr Alan Bond is expected to make a

Renison also became a par ticularly unsettled market following the acutely disappointing first-half figures and plummeted 35 to 155p, with the Deferred 45 off at 110p.

TransCanada **Pipeline** mortgage bond

mortgage TransCanada PipeLine hords is 16.5 per cent per annum payable semi annually on March 1 and September 1. The first corpon payment is due on September 1, 1982 and will be £5.4620 per cent per £100 principal amount of bonds.

As reported on Tuesday the coupoo and issue price far the company's £25m unsecured notes were set to provide a yield of 2.5 per ceot over the 13.5 per cent Treasury Stock 2004-08. Also the issne price in respect of the notes is £98.534 arc cent. For rate indications see end of per £100 principal with £20 per cent. Power for the notes is £98.534 arc cent. Stocks to extract meaning for the per £100 principal with £20 per cent. Power for the price indications for the put, while double options were cent. cent payable on acceptance on February 26 and the balance of Pennine Commercial, Guinness stream Resources.

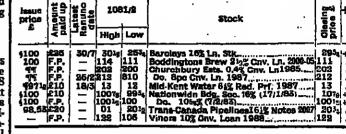
£78.534 per cent on May 20.

Financial Times Friday February 26 1982

RECENT ISSUES

					EQUITIES		٠			
iesue price p	Amount Paid up	Renume, Oate		1/2 Low	Stock	Oleaing Price P	+ or	Olvi p ar ancount	Times	dross x e id
142 530 200 5100 5100	F.P. F.P. F.P.	12/2 12/2 - 13/1	190 30 2 22 69 357 84 10	186 29 91 36 315 315 21	Amershom Assets Special 10p. Do. Warrants 10p Beillia Gifford! In Tat. Do. Warrants. AEdridge Pope £1. F&C Enter. Warrants F&C Enter. Warrants	01 32 357 83		6.5 bd3.1	2.0 2.1	5.5
150 590 ! 35 116 	F.P.	6/3 		117 16 01 ₂	AHaytera £1 K Imm, Buz, Eys. 10p K Majayelan Tin 0p Poek Hidgs. Speyhawk 10p TSW 5p Viners 1p	167 92 48 131 ₂ 132 16 4		10.6 	_ _ 2.5	6.7

FIXED INTEREST STOCKS



"RIGHTS" OFFERS

issuo price					31/2	Stock	50 a	+ 0
P	Am	•		Nigh	Low		ĕĒ	_
244,3 70 140 40 2 20 188 110 25 45	F.P. F.P.	10/2 26/2 11/2 26/2	19/3 20/6 26/3 10/3	1 lepm 971 229 26pm	0pm 155 12pm 258 218 24pm 08	HTCambrian & Gen. Units A Clyds Petroleum Davy Corp. SEnarsy Finance 10p Lovel (Y.J.) MEPG Security Centren. Smith St. Aubyn Steaus Romana (Brit.)	7pm 5pm 156 1pm 258 226 26pm 35 1apm	

Renunciation data usually last day for dealing free of stamp duty. b Figure seed on prospectus estimate. d Dividend rate paid or payable on part or payable on twill capital. S Assumed dividend and yield Forecast dividend: cover based on previous year's earnings. F Divided and eld based on prospectus or other official estimates for 1982. Q Gross u Forecast dividend: cover based on previous year's earnings. F Divideed and yield based on prospectus or other official estimates for 1982. Q Gross. If Figures assumed. ♦ Figures or report awaited. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for rastricted dividends. § Placing price. p Pance unless otherwise indicated. ♣ Isoued by tonder, of official of the holders of ordicery shares as a "rights," ⇒ Issued by Way of capitallestion. § \$ Raintroduced. ♣ Issued in connection with reorganisation, marger or take-over. [if Introduction. □ Issued to former preference holders. ♣ With warrants. ↑ Introduction. □ Issued to former preference holders. ♣ With warrants. ↑ Deslings under special Rule. ♣ Unlisted Securities Market. ★ London Listing. ↑ Effoctive issue pres after scrip. ↑ Formerly deak in under Rule 163(2)(a). ↑ 1 Unit comprising five ordinary and three Cap. 6 heres.

ACTIVE STOCKS Above swerege activity was noted Closing Stock P. & O. Oeld Plessey Pres Steyn Rowntree Mackintosh Thom EMI Ultramar WEDNESDAY'S ACTIVE STOCKS Based on bergeins recorded in SE Official List Wednesday's

OPTIONS

ings ings tion ment rods, Amersham, Charterholl, Feb 22 Mar 5 June 3 June 14 Premier Consolidated, BP, ICL, Mar 8 Mar 19 June 17 June 28 Rothmans, Zetters, and Nimslo.

Last Last For Peat, Tesco, KCA International, Deal-Declara Settle Eagle Star, Woodside, Gripper-Stocks to attract money for arranged in First National Fin-the call included Trident TV A, ance, Amersham and Gulf-

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries

	EQUITY GROUPS	Thurs Feb 25 1982					Wed - Feb 24	Turs Feb 23 .	Man Feb 22	Fri Feb 19	Year ago (approx.)
Fig	& SUB-SECTIONS pres in parentheses show number of	Index No.	Day's	Est. Earnings Yield %	Gross Div. Yield %	Est. P/E Ratio	Index	Index	Index	Index	Index
_	stocks per section	No.	Change %	(Max.)	(ACT ≥ 30%)	(Net)	No.	Mo.	No.	No.	No.
1	CAPITAL GUODS (210)	362.07	-0.6	9.41	4.41	13.39	364.16	367.99	370.70	358 70	321.72
2	Building Materials (25)	322.78	+0.6	13.49	5.36	6.91	321.00	324.58	327 43	323.82	276.34
3	Contracting, Construction (28)	576.78		15.83	4.92	7.41	576.22	586.82	586.35	583 49	486 69
4	Electricals (31)	1230.32	-16	7.50	2.35	17.05	1243.64	1254.02	1265.58	1261 23	1022.70
5	Engineering Contractors (9)	508.38	-0.5	12.42	5.76	9.41	511.01	511.45	511 15	510.34	413.58
6	Mechanical Engineering (67)		-0.6	11.03	5.79	11.55	191.40	193.04	194 67 .	193.51	184.56
9	Metals and Metal Forming (12)	164.57	-10	7.39	7.40	19.00	166.23	167.95	168.30	167.83	146 08
10	Motors (21)	95.70	-1.2		6.96	_	96.91	98.07	98.77	98.65	89.79
21	CONSUMER DROUP (198)	393.47	-0.3	8.04	5.84	15.43	394.70	400 40	403.87	401.27	317 41
22	Brewers and Oistillers (21)	291.17	-0.1	12.56	5.69	9.77	291.42	295.85	299 15	295.20	249 22
25	Food Manufacturing (21)	288.46 280.57	+0.8	16.30	6.76	7.38	286.27	291.91	295 05	291.83	275.26
26	Food Retailing (15):	604.69	+0.6	15.07	6.10	7.96	281.28	284 67	286.66	283.13	224 00
27	Health and Household Products (7)	370.14	-23	6.90 8.45	3.30	13.69	600 98	614 06	615.40	613 74	451 67
29	Leisure (24)	437.43	-14	9.49	4.32 5.05	13.91	371 36	374 94	381.40	376.24	255.8b
32	Newspapers, Publishing (12)	509.74		11.38	6.10	13.22	443.44	451.76	457.68	450.56	369 83
33	Packaging and Paper (13)	146.56	+22	13.65	7.35	11.65	508.72	515,12	513.54	509.26	445.11
34	Stores (45)	261.64	-6.2	11.01	5.16	0.76 12.13	146 26	146.98	148.97	147 67	124 59
35	Textiles (23)	167.65	-0.4	9.79	5.96	13.27	262.2E	266.78	271.24	265.44	258.67
36	Tobaccos (3) ;	309.54	+0.1	19.57	6.42	5.83	168.39 309.17	170.43	171 10	169 83	142.76
39	Other Consumer (14)	273.65	+0.7		6.18	5.05	271.80	312.64	334.79	312.31	224 83
41	OTNER GROUPS (79)	251.59	-0.3	10.23	6.15	12.39	252.38	275.48	275.52	272.93	262 52
42	Chemicals (16)	336.70	+6.4	5.90	6.85	25.32	335.48	255.33 340.45	257 57	257.14	214.61
44	Office Equipment (4)	121.73	-1.8	13.22	7.06	9.21	123.94	124.96	343.79	343 44	265.09
45	Shipping and Transport (13)	567.11	+0.1	18.90	6.51	6.30	566.88	564.83	125.44 582.45	125.57	107 83
46	Mrscellaneous (46)	313,13	- 0,8	11.62	5.18	10.48	315.81	319.25		583,13	574 Sé
49	INDUSTRIAL GROUP (487)	310.36	-0.3	11.08	5.28	11.22	311.29		320.77	339.60	271.69
51	Oik (13)	645.43	+0.8	22 03	8.74	5.14		315.33	318 30	315.52	266.62
59	Oils (13)	337.73	-01	12.75	5.81		640,43	650.90	670.17	674.33	874.43
61	FINANCIAL GROUP (117)	261.70	-0.3	14.75		9.50	338.19	342.75	347.03	344.79	114.23
62	Banks(6)	296.08	-0.2		5.95		262.54	265.56	265.84	261.82	245.65
63	Discount Houses (9)	229.88	-0.2	34.55	6.98	3.28	296.69	299.94	304 42	296 68	236.36
65	Insurance (Life) (9)	253.77		- .}	9.43	- 1	230.30	232.74	233.23	229 10	313 98
66	Insurance (Composite) (10)	164.66	-0.8	- 1	6.31	***	255.75	258.91	258.69	257 13	257.70
67	Insurance Brokers (7)	433.68	+0.1 -0.5	30.00	8.23	ì	164.56	168.04	165.00	162 61	157 43
68	Merchant Banks (12)	146.22	-0.5	10.26	5.26	13.17	436.01	442.56	443.85	435 92	342.75
69	Property (49)	459.07			5.62	P4104	146.95	148.71	149 61	149 97	152.77
70	Other Financial (15)	727.07	-0.5	4.65	3.21	28.73	461.30	462.88	464 27	456.63	480.21
笳	WIRT FRESHOLD (32)	185.96	-0.2	15.34	5.82	8.00	186.39	188.63	189.34	188.53	177.92
1	Investment Trusts (112)	307.17	+0.1	_	5.31		306 93	309.84	311.77		
81	Mining Finance (4)	221.05	-0.5	. 15.59	6.43	7.72	222.25	224 73		311 26	288.81
91	Overseas Traders (17) ALL-SHARE UNDEX (750)	395.20	-2.3	13.22	8.05	9.24	404.61	410.83	228.79	226 87	223.74
99]	ALL-SHARE UNDEX (750)	319.91	-02	 }	5.85		320.55		416.25	435.30	453.15
				I	07 (57155 1	324 67	327.98	15.47	100 16

_	·	XED	INTE	REST		AVERAGE PROSS REDEMPTION YIELDS Thurs Feb 25	Wed Feb 24	Year agn (approx.)	
_	PRICE	Thurs Feb 25	Day's change %	Wed Feb 24	od adj. today	ad adj. 1982 to date	British Soverament 1 Low 5 years 12.36 2 Coupons 15 years 13.03	12 49 13.14	11.29 22.23
1 2	British Coverament 5 years 5-15 years	108.46 107.13	+0.22	108.24 106.27	-	2.65 2.11	25 years 12.81 Medium 5 years 14.59 Coupons 15 years 14.59 25 years 13.89	12.90 14.71 14.56 14.01	12 45 13 08 13 82 13 67
. 4 . 5	Over 15 years	109.83 118.68 108.20	+0.85 +0.46 +0.63	108 90 118.05 107.52	- - -	2.48 1.28 2.34	7 High 5 years 14.61 8 Coopers 15 years 14.58 9 25 years 14.22 10 Irredeemables 12.51	14.72 14.73 14.34 12.57	13 11 14 82 13.86 11 65
. 7	Deientures & Loans _	84.17 63.40	+0.37	83.86 63.14		100	11 Oebs & Loans 5 vears	15.66 15.53 . 15.46	14.13 14.43 14.44

nes and constituent changes are published in Saturday is:

WORLD VALUE OF THE DOLLAR

Bank of America NT & SA, Economics Department, London

COUNTRY	CURRENCY	VALUE OF DOLLAR	COUNTRY	CURRENCY	VALUE OF DOLLAR	COUNTRY	CURRENCY	VALUE O
fohanistan,		50.02	Cuadaloupe	Franc	0,0185	Pitcairn is	N.Z. Dollar	1.268
lbania IDeris	. LCK Times	0.5237	Guam	, U.S. #	1.00	Poland	.IZloty (OI	80.00
Datte "	unar	4.1870	Gantemals	Quotzal	1.00	Portugal	.:Escudo	69.10
ndorra	ISO Pecete	6,0185 102,28	Guinea Bissau		38,8306	Port Timor	.:Escudo	
ngola	Kwanze	30,214	Guinea Rep	Sylt .	21,7851	Puerto Ricu	u.s. \$	n.a. 1,00
ntious	F. Caribbana S	2 7025	Guyana	Delinr	0.0517	Qutar	Plusi	3,639
ntigua rgnntina	Pero 10 /51	2.7025 10025.00	Heitl	Gourde	0.00			
uetraila	Dollar	0.0278	Honduras Rep	Lempira	9.00	Reunion lie de la.	Fr. Frans	6,081
Letris	Schilling	16,5775	Hong Kong	Dollar	5,890	Romania	. <u>L</u> eti (O)	4,47
uetris zores abames	Port. Esquée	69.18	Hungary.	Forint	34,4297	Rwanda	France	02,84
abamaa	Dollar	1.00				1		
ıkrain	II:D&r	. 0.3769	iceland	Krona	9,439	St. Christophnr	E. Caribbean S	1 2.702
ileario Is	Op. Peseta	102.26	Indonesia	Rupes	0.2851	St. Helena.	Pound*	1.828
aneladash	Taka	20,07	Iran.	Diel (C)	648,00	St. Lucia	E. Caribbean S	2,702
rrbados	Dollar	2,01	Irag	Niner	0.2950	I St. Prefra	Fr Frane	8,018
elgium	Franc (C)	45,20	Irish Rep	Dunt*	1,4952	St. Vincent	E. Caribbean \$	9.702
917101111111111111111111111111111111111	Franc IFI	40,85	israel	Shekel	17.05	Samoz (Western)	Tala	0.868
Wze	Dellar	2.00	Italy	Lira	1267.00	Samoz (Am.)	u.s. 5	1.00
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rmuda	CONAL	. 1.00	Jamaica	Dollar	1.7841	Sao Tome &		
hutan	Desc. Rupss	9,2851	Japan	Ven	233.65	Principe OR	Dobra	39,933
	Pule.	94.75	Jordan	Niner	0.5455	Saudi Arabia	HIYAI .	5,420
itawana	Cruzalna	140.80			. 0,3400	1 Senegal	C.F.A. Frana	300,926
AZII	Cruzeire		Kampuehea	Riel	D.A.	Seychsiles	Rupes.	7,342
unni Ngaria,	Politic.	9.1065 0.945	Kenya	Shilling	10.5382	Sierm Leone	Legge	1.200
	Kvet	6.4510	Kiribati	Aust, Dollar	0,9278	Singapore	Pollar	2.106
rundi	France	90.00	Korea (Nth)	Won	0.94	Some is	Dollar	0.906
		. 50,00	Korea Isthj	Mou	00.897	sowen Keberren	ສຸດແຕກຊ (6)	6,35
maroun Rp	G.F.A. France	300,625	Kuwait	Dinar	0,2845		Shilling (7)	12.46
nads	Dollar	1.2107	1			South Africa	Rand	0,070
Stary Is,	Op. Pesste	1.2107 102.28	Lao Pipia IL Rep	KIP .	10.00	Spain	Peseta.	102,28
pe Verdn Is	Escudo	66.51	Lebanon	Pound	4,8206	Coon Bonto In M		
ymen la	Dollar	0.835	Lesotho	Loti	0.9751	Span, Forts in N.	5p. Peseta	102,28
ın. Af. Rep	C.F.A. Franc	300.026	Liberin	Dollar	1,00	Africa Sri Lanka	Bunes	
ad	C.F.A. France	300.925	Libya	Dinar .	0.2961	fuden Ber	cupse	20,68
II.	Paga (O)	39.00	Liechtenst'n	Sw. Franc	1,8722	Sudan Rep	Pound (1)	1.1111
ina	Renminhi Vuen	1.89	Luxembourg	Lux Franc	43,29	Surinam	Guilder	1.785
	Page (D)	80.07	Macao	Datues	0.1289	2waziland	Flau0eul	0.9751
moros	C.F.A. France	500.920	Madagascar O. R.	France	300,025	5 277 CHIII	Kronn	5.761
rigoP'ple.Rep.of	C.F.A. France	300.625	Madelra	Bort Sacreta	06,16	Switzerland	rrane	1.8726
	Colon (O)	2.60	Malawi	Kwacha Kwacha	0.9297	Syria	Pound	0,9263
sta Rica	Colon	37.06	Malayela	Rinnal	. 2.305	Takutan	Balles (C)	
ba		0.8001	Maidiya Is	Burgare		Taiwan	DOUBL (6)	38,17
prus	Bound's	9.2198	Mail Do	umban .	3.93	Tenzania	avillin a	8,2036
echoslovakia	Komine /O:		Mail Rp	Franc	601.85	Thailand.	Sant	23,00
	un nite in	5.85	Maita	Conug.	2,471	TOGO Ken.	CEACH	000,925
nmark	Venne :	P. 0110	Martinique	rrang.	6,0185			0.927
nmark	Trees	7,9112	Mauritania	COBRISE	49.30		DOUGE	2,406
bouti Rp. of	rrang P Andres	178.50	Mauritius	Rupes	11,0314	Tunisia	Diber	0.534
minica	C. CALIDDONN S	2,7025	Mexico	Peso	29,20	TUITKBY.	Lina	150.03
nin. Rnp	reso	1,00	Miquelon	Fr. France :	6.0185	TUTKE & CALEBA	U.S. S	1.00
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Sucre	24.75	Monaco	Fr. Franc	6,0183	Tuvaju	Aust. Dollar	0.927
/pt	Pound* (0)	1,4493	Mongolis	Tuarik (C):	6,3556			0.347
L	Pound* (0)	1,2225	Montserrat	E. Caribbean	2.7025	Uoanda	Shilling	78.00
Szivador (Colon	2.50	Montserrat	Dirham	0.7047	Utd. A'b. Emir	Dirhem	6,073
ti Guinea		204,56	Mozambiqus	Metica	29,8058	LUZZ. KIDOGOM	Pausal Stadiose	1 0,073
iopin	BIFT (O)	2,0509	B			Upper Volta	C.E.A. Empe	1,828
roe le	Dan. Krone	7.6112	Namibia	SA ICENS	0,9701	Urusuay	Sets	
kland le	Poond*	1.8285	Nauru is	AUST. Dolfar	0.9278	11669	Familia Paulia	11,80
	Dollar	0.9016	Nepal	Rupee	15,20	U.S.8.2	LANGUIS	0,782
and	Markka	4.611	Nethorlands	Gulider :	2,09	Manual	-4-	
nce	Franc	6.0185	Notil Anties	Guild er :	1,80	Vanuatu	vatu	07,268
C'ty in Af	C.F.A. France	300.666	New Zealand	Dollar	1,2684	16-41 ·	Aust, boller	0,9276
Guiana	Franc	6,0185	Nicaragua	Cordoba j	10.00	Vatican		1207.00
Page Is.	C.F.D. Free	103.61	Niger Rp	C.F.A. Franc	300,925	Venazuela	FOIIVAF	4,293
OD	C.E.A. France	300.285	Nigeris		0.6566			2.16
nbia	re pro FIERU	2.1678	Norway	Krona	6,005	Virgin Is. 8r., Virgin Is. U.S.,	J.S. \$	1.00
								1.00

n.a. Not available. * U.S. deliars per National Currency unit. (0) Official rate. (C) Commercial rate. (F) Financial rate. (1) Sudan—By decree on 9/11/91 dust exchange rate abolished and Sudacese Pound devolued by 12½ per cant. (3) Egypt—Floating rate fixed dully by Central Sack of Egypt for important, Exporters, Tourists. (4) Argendna—Commercial and Financial rate combined 30/12/91. (5) Poland—Official rate 30 effoctive 1/1/82. relial exchange rotes introduced 1st July—for assential imports. (7) Somelie: Exports and Non Essential Imports and Tr

10,8178 1.00 0.7105 in

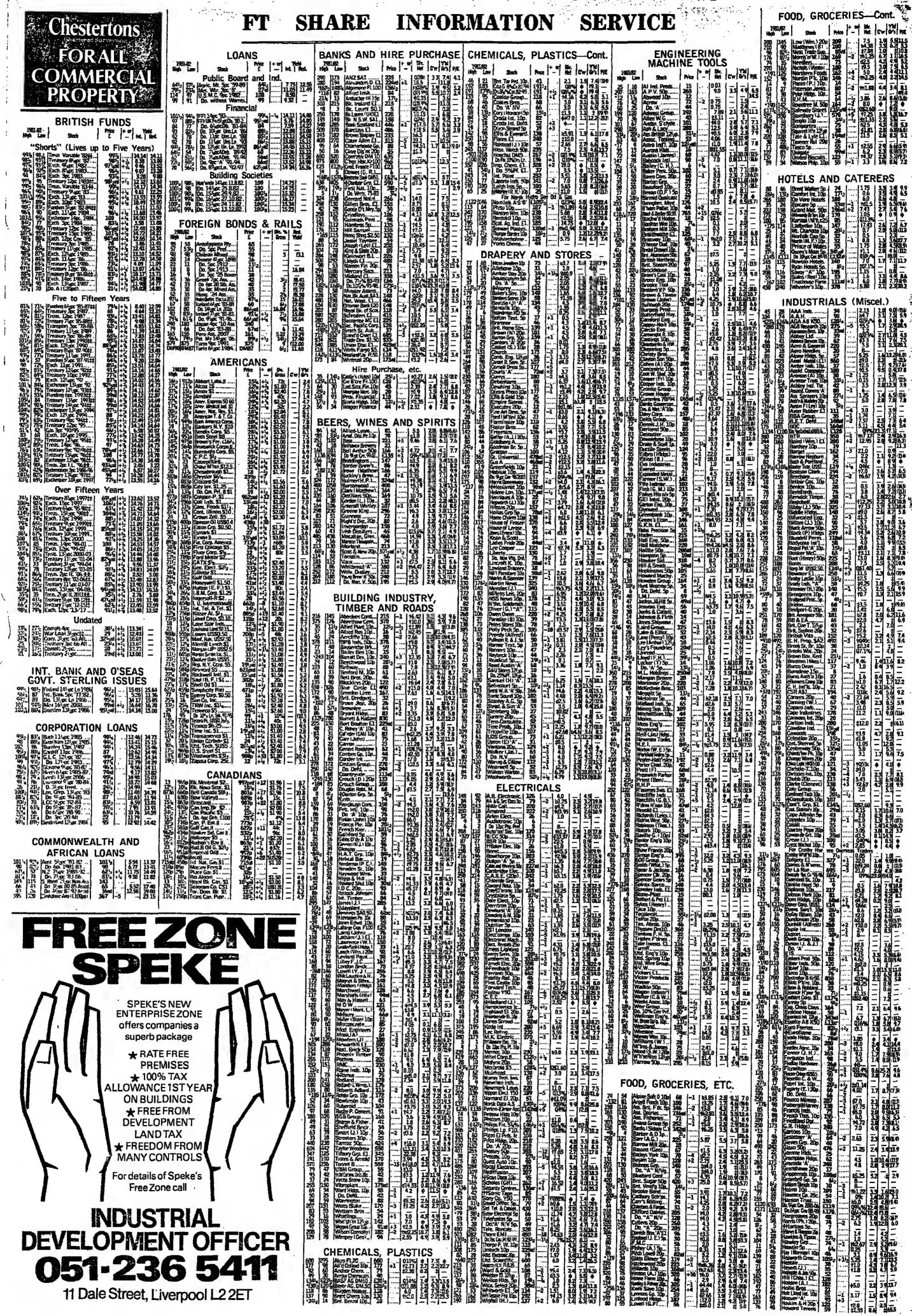
* STOCKS

FFERS

OP-CES

11 Dale Street, Liverpool L22ET

IV.



FINANCIAL TIMES

Friday February 26 1982



Tokyo strategy threatened by fall in exports

three months of last year has stantially, prohably by enough last year and the current quarseriously upset the Japanese to counteract any revival in ter, and seems unattainable.

Government's revenue and domestic economic activity. growth targets for the current fiscal year, forcing it to review basic economic atrategy.

Although statistics are not time this has bappened in more than six years.

slowed sharply from October, which ends on March 31 would directly undermine the Governwhile imports revived. Earn- require a quarterly growth rate ment's policy of gradually reductax cut.

delivery in three months time, which fell £310 to £1,785 a

The collapse in the London

ending of a supply squeeze. It

squeeze would result in sellers

being unable to meet their commitments and a possible sus-

the Metal Exchange earlier this

OIL EXPORTING countries,

headed by Iran, have been sell-ing gold in Eprope in the past

few weeks to alleviate balance

of payments difficulties caused

hy the sharp fall in the oll

Middle East, combined with off-

loading hy the main producers, South Africa and the Soviet

Union, have been a principal

factor driving the gold price down to a 21 year low this month, according to inter-

Apart from Iran, Iraq is also

thought to have been selling gold, although details are un-

clear. These two cauntries led

Organisation of Petroleum Ex-

porting Countries (OPEC) in

1980, when the gold price was

about double its present level

very good investment."

Dealers do not rule out the

beginning of last year-may also have been selling recently.

Continued from Page 1

champions of German industry, Herr Hanns-Martin Schleyer, a

close friend of Herr von Brauchitsch, was kidnapped and murdered by urban terrorists in

Fasolt, bad to resign after less than six months in office be-cause of problems with his

privately-owned tile manufactur-

ing business. Herr Fasott him-self was later fined DM 58,000

(£13,350) for tax evasion, also in

connection with donations to a

political party—the Christian

His payments were made to a

Once again the BDI has been

Licentenstein company, which was a subsidiary of the CDU.

thrown into confusion in the

search for a new leader. although it is possible that the

current president, Prof. Rolf

Rodenstock, owner of a Munichbased optics concern, will re-

Continued from Page 1

duct on the spot cargo market. Oil companies had wanted to

press BNOC for a price reduc-

tion earlier. They decided to

wait to see if Opec convened

an emergency meeting tomorrow, an idea canvassed by the

organisation's secretariat. It

seems likely that an extra-

ordinary ministerial meeting will be held in mid-March.

Democrats.

main in office.

His successor, Herr Nikolaua

German

A Zurich dealer said last

of \$360-\$370 an ounce.

string of buyers from the The oil states as a group are

night: "They did not make a hy the 18-mouth war between

possibility that Libya—which fortunes is having widespread bought a lot in London at the repercussions on financial

News of the sales has Japanese stocks because of its emerged as the Opec aurplus weakening finances were among has been rapidly diminishing.

national bullion dealers.

In an attempt to prevent this

pension of trading.

tin market coincides with the July

BY JOHN EDWARDS, COMMODITIES EDITOR

yet available, the fourth-quarter generated by the external economic situation is that tax gross national product figures may well be down on the previous three months — the first time this have been as well—will fall far short of

han six years.

Japan's GNP growth target of
The reason is that exports 4.1 per cent for the fiscal year

TIN PRICES fell dramatically premlum which could be yesterday on the London Metal Exchange, recording one of the biggest daily losses. Cash tin

There was still considerable don.

terday, however, there was an

particularly from the group-believed to be acting on behalf of producers—which has been

supporting the market since

the withdrawal of the group.

Some thought they might be

abandoning the support programme. Others felt the group

was simply changing its tactics

again.
It was noted that the recent

the Metal Exchange earlier this

It was noted that the recent and Duffus' share price rallied
month imposed a maximum slide in the Panang tin market last night to 188p, after hitting

Selling by Opec depresses price of gold

LONDON

GOLD

limit of £120 a tone on the in Malaysia had been balted a 152p in the morning.

Traders were bewildered by

down at £7,320 a uncertainty whether the large

tonne—£1.665 below the record sales ontstanding for delivery-level reached just over a fort- this week would be met. Yes-

For the first time since abundance of cash tin on offer November the cash price was and prices collapsed in the below the cost of tin for absence of huying interest—

Cash tin plunges by £775 a tonne

Japanese exports in the last certain to have shrunk sub. October-December quarter of controlling expenditure.

Failing to hit the growth target, however, is not in riself a quarters last year almost all hig problem. What bothers the Japan's economic growth was Government about the current expectations because of slow GNP growth rates.

The Metal Exchange will ask

all member companies to report

outstanding positions at the close of business on March 5

before deciding whether to lift

Although this week's crisis has passed, some companies have suffered substantial losses.

Gill and Duffus, the commodities trader, said it would make an announcement soon. Traders on

the Exchange said it was only

one of several companies to he

affected, but reports of the loss involved had been greatly

on the Tokyo stock market.

According to one dealer the

Iranian gold bas been dumped

on the market by Bank Markazi, the country's central hank, in a "rather uneducated"

Iran and several other Opec

natioos—including Indonesia, which also made hig bullion

purchases in 1980-have been

sounding out Western hanks

Bank Markazi would prefer to

use its gold as collateral, rather

approached by Tehran have heen reluctant to lend because

of fears about the country's ability to repay. The advantages of gold collateral are greatly

reduced when the bullion price

A London buffion hanker said: "I wouldn't like to be

sitting on a pile of gold from Iran. They don't know where

their next dollar is coming

than s iginilleA"Dmft.wwe,

ward pressure on the price.

Many

is weak.

raising gold-backed

European banks

than selling it outright, in vate investors in the Middle order to avoid further down. East in 1979/80 was seen as a

According to one estimate, of —but they are waiting for the 60-90 tonnes of gold Iran price to become cheaper."

On the Stock Exchange Gill

exaggerated.

the £120 a tonne limit.

SHARP SLOWDOWN in ings from overseas seems of 1.7 per cent in both the ing the budget deficit by rigidly

Faced with the threatened collapse of this basic strategy officials and politicians concerned with economic policy seem to be considering two main

1) 80 per cent of the expenditure on public works projects budgeted for the year as a whole. The tax revenue shortfall will The second possibility would be a substantial personal income

andard Grade . London

Cash Price

JANUARY 1982 FEBRUARY

Men and Matters, Page 20

previously had stored in Europe—some of which was

beld at the Bank of Eogland-

35 tonnes may have been used

in collateral deals. The rest is

being sold, and may be almost exhausted.

believed to have at least 200

tonnes more in Iran. But the

country's rulers are not likely to move this "bedrock reserve"

to the West for selling or col-lateral use unless all other

financing channels are blocked. The large amount of gold

bought by both official and pri-

significant prop for the price

at the time. But it is now regarded by bullion dealers as

a dangerous overhang threat-

A European dealer said: "As

soon es they [Opec] started to

huy, they became potential sel-

the gold price went down, the

more bullion would be sold by disappointed Middle East

holders. "There are certainly

investors around wanting to bny

-but they are waiting for the

Another said that the further

ening the market.

The Tehran Government is

The ruling Liberal Democratic Party seems to prefer the former, in part because this Would spare the government an immediate decision on whether or not to rewrite the hudget.

A third possible way to stimn-

late the economy—reducing the discount rate—is being ruled One involves bringing forward out on the grounds that interest into the first half of the 1982 rates are already low.

The one hopeful point about

The one hopeful point about Japan's recent economic performance is that industrial production and shipments appear to bave risen fairly sharply as the result of a long-awaited com-pletion of inventory adjustments.

Directors call on **Thatcher** to cut tax

GROUP of 25 leading busiessmen took the unusual step last night of publicising a letter they have written to the Prime Minister calling for a cut in in-come tax rather than a reduc-tion in the National Insurance surcharge.

The letter, written in line with the policy of the Institute of Directors, is a direct challenge to the policies of the Con-federation of British Industry, which bas several of the businessmen's companies in its membership.

It illustrates the split in in-dustry over Budget priorities. The letter was signed by 32 businessmen and 25 agreed to an Institute of Directors request that their names be publisbed. In some cases they did so knowing they were out of line with the views of their

boardroom colleagues.
Mr Basil Collins, for example,
has signed the letter in his capacity as deputy chairman and chief executive of Cadhury Schweppes because be helieves direct tax cuts would most benefit his company by boosting

But his chairman, Sir Adrian Cadbury, a leading CBI figure, takes a broader industrial view and believes a cut in the National Insurance surcharge should be the first priority.

The other signatories include Mr Algy Cluff, of Cluff Oil; Mr Ronald Halstead, of Beecham Products; Sir James Hanson, of Hanson Trust; Mr R. Harris, of Gallaher; the Earl of Inchcape, of Inchcape; Mr F. Moorfoot of Kodak; Mr Angus Murray, of Redman Heenan; Sir David Nicolson, of Rothman International; and Mr Leslie Porter,

of Tesco Stores.

The letter partly reflects the views of some retailers and food manufacturers like Mr Collins who would prefer the Budget to help their companies

ing.
Some oppose cutting NIS
hecause the financial henefits would he felt by the public sector as well as the private sector. Others and they were trying to head off, an income

Weather

UK TODAY

Changeable

MOSTLY CLOUDY. Dry in E and SE, rain elsewhere. London, SE. E England Rather cloudy, hut mostly dry. Max 5 C (43F). Elsewhere

Mostly cloudy, rain spreading from W. Max 9C (45F).

WORLDWIDE -

Ameem. F U 32	LUXUF
Athene R 13 65	Madrid . F 10 50
Sahrein S 17 63	Madrid . F 10 50 Majorca C 11 52
Bercine. C 3 37	Moises F 12 54
	Maita F 13 55 M'chatr R 4 39
Belfast S 2 43 Belgrd. an 0 32	M'chstr R 4 39
Belgrd. an 0 32	Msibna. — —
Bartin S 1 34	Mx. C.1 C 24 75
Biarritz C 9 48 Brighm, R 4 39	Manual C 24 TS
Biarritz C 9 48 Brighm, R 4 39	Milan S 4 39
Blackpl. R . B 43	Matrit F -20 -4
20rdx. C 5 41	Moscow C -5 23
	Milen S 4 39 MatrLt F -20 -4: Moscow C -5 23 Munich C -3 27 Nairobi S 31 88
Bristol C 7 45	Nairobi S 31 88
ROUGERIE S 1 34	Nairobi S 31 88 Naples F 11 52
audpst. C 5 41	Nassau — —
2udpst. C 5 41 Cairo 5 25 77	
Cardiff C 7 45	N. York F 3 37
Cas'b'ca C 14 57	M. IDIKI F 3 SI
Cas'b'ca C 14 57 Cape T. S 21 70	Nice F 10 50
Cape T. S 21 70	Nicosla S 18 84
Chicg.† Sn -5 23	Oporto C 12 54
Cologne S 0 32 Conhan, C -3 27	Oslo Sn -3 27
Conhan, C -3 27	Paris C 2 36
Cartu C 12 54	Perth F 33 91 Pregue S -1 30
Oenvert F -5 23	Pregue S -1 30
Dublin F 7 45	Rykivk, F 4 39
Dervnk. C 9 48	Rhodes F 18 SI
Ednboh, C 7 45	Rio J'ot C 37 99
Faro F 16 61	Rio J'ot C 37 99 Rome F 11 52
Florence S a 46	Salzbrg, C -1 30
Frankft F -1 30	Seizbrg, C -1 30 S'ciscof F 4 39
	S'ciscot F 4 29 S. Mritz. — — Singspr. F 31 88 S'degot C 24 75
Geneva F 0 32	Singspr. F 31 88
Gibritr. R 14 57	S'deget C 24 75
Gi'sg'w F & 48	Stekhm. C 0 32
Gi'sg'w F & 48 G'msey F & 45	Stokhm. C 0 32 Stresbg. C -3. 27
Heisinki C 0 32	Stresby. C -3. 27
Heisinki C 0 32 H. Kong C 12 59	Sydney R 24 75
H. Kong- C 12 59.	Tangier — — Tel Aviv S 17 63
nnsbrk. F -2 28	Tel Aviv S 17 63
nyrnss. C 5 41	Tenerife F 19 66

C-Cloudy, F-Felr. R-Fern. 8-Sn-Snow. † Noon GMT temperatures THE LEX COLUMN

Behind the profit rise at ICI

In spite of a cautious - not to say gloomy — forecast about prospects, ICI is set to improve its profitability in the current year. This will not stem from improving demand, at least not until the second balf, but from the aggressive rationalisation that has been undertaken -

and still continues.

In 1981 pre-tax profits have emerged much as expected at £335m, compared with £284m in the previous year. The fourth quarter outcome at £114m com-pares with £86m in the previous three months and £7m at the same period in 1980. Weaker sterling has continued to allow better pricing, and there bas been a £20m benefit in the final three months from currency gains on the settlement of export debts. However, the change in North Sea taxation is responsible for a 14 per cent drop in oil trading profits; under an unchanged regime, oil profits would have risen hy

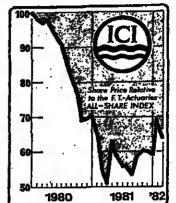
about a tenth, or £10m.
The flurry of demand in the third quarter seems to have heen choked in the final three months, and apparently there has been some further tailing off since, particularly in the UK. It is too early to establish wbether this is due to the

weather this is due to the weather or the economy. Once again plastics and petrochemicals are taking the hrunt of the decline. So while losses here have been reduced through rationalisation last year, prices are now beading losses again and there are few lower again and there are few hopes of achieving anything close to hreak even in this division this year. By contrast the group seems more confident about fibres, where the rate of loss bas been falling steadily

through the year. . One of the brighest spots is pharmaceuticals, with trading profits up more than a third, and the successful U.S. launch of the heart drug, Tenormin, is likely to producer further expansion this year. Redundancy charges set against trading pro-fits—at £51m in 1981—have probably peaked. So the pre-tax outcome may be somewhere between £400m and £450m. The

will be restored to 23p this year.

Plessey Plessey has cleared almost every hurdle in its race for full year profits of over £100m pretax, and now looks set to exceed that figure by around £10m. Operating margins have been Index fell 0.8 to 551.8



quarter to December, despite a bunching of redundancy payments and a low level of contract realisations in the electronic systems division.

The depreciation charge is little higher than a year ago and net interest receivable is fim higher than in the second quarter. So an 8.4 per cent rise pre-depreciation translates to a 24.5 per cent gain, to £27.5m, at the pre-tax level for the three months.

Plessey has bundled together its public and private sector telecommunications business into a new division, presumably to guard the profits made at British Telecom from prying eyes. Orders from Telecom have been piling up since the end of 1981 and permission for a Buzby bond would support the momentum.

The final quarter should show a sharp recovery in electrome systems and the year-ond balance sheet will look very strong. The dividend is moving ahead by 10 per cent with almost monotonous regularity, giving a prospective yield of 3.4 per cent at last night's price

Rowntree

Rowntree Mackintosh has produced a sharp profits re-

\$40.2m pre-tax and a fall in Tunnel finance costs explains £5.6m of the gain. Around three-fifths of that stems from last April's rights issue. On the trading front, Rowntree has sacreficed a little market share in the UK in teturn for higher margins—bid for Seascope and sand refers to the control of the control

tree's volume has slipped or 6 per ceot. The group down well in the Comonwo roughly a fifth of its profit has been badly squeezed comportant UK export bus and is still making no n to speak of on its sales of f in continental Europe.

Trading profils were maginally higher in the se alf of 1981, and the UK m: is very competiive. But e huainess is recovering, and the belp of a further fa interest costs, Rowntree's pa should more than keep with inflation this year.

Its balace-sheet is strong with net worth of over £ and 'net borrowings of about £13½m at the year With this muscle, Rowntree it can revitalise Huntley-w has not been spending a lo fixed assets in recent years. could he in danger of reac the point where it is not ma enough money to finance heavy investment needed make it more competitive. a pro forma hasis, the bor ings of the enlarged g would only represent abo quarter of shareholder's fur With a yield of over 7 cent, Rountree's shares are supported at 164p. The bid hring some short term dilu but with Huntley's sales ning at ever £370m it would

in margins to change picture. The hid still needs clear from the Office of Fair Trac If that comes, Huntley coul doing well to improve muc right in line with the hid r at 105p.

take much of an improve

RTZ/Tunnel

RTZ is completing its 1 into the UK cement lnd with an agreed bid for the standing shares in Tunnel. all share offer is worth 572; share, with a cash alternati 550p — which is a touch than some had been hooing the offer looks very fair. that RTZ already has co share price fell 2p vesterday to covery in 1981, along with some and paid just 450p for its ir 524p, where the yield is 8.6 rather persuasive arguments to per cent, and there must be a back its bid for Huntley and good chance that the dividend Palmer. Profits are £8.8m higher at knocked a little of the glos Tunnel's profits in the yea

and profits. So although output rights issue, the figure will broadly maintained in the third for the confectionery industry around £35m.

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Alberta oil project near collapse

BY JIM RUSK IN OTTAWA

now again net borrowers from

Apart from the falling oil price both Tehran and Baghdad

bave heen hard hit financially

change in

markets. Yesterday fears that

Kuwait might start aelling

international

German industry.

The lection of Herr von Brauchitsch—he was due to assume office at the beginning of 1983—marked a move by the THE ALSANDS consortium, which planned to huild a C\$13bn (£5.8bn) oil extraction plant in Alberta, Canada, BD1 to give a sharper edge to its appeared on the verge of col-lapse yesterday after Shell activities, both in its contacts with Government and in putting Explorer of Houston, pulled out its case before a wider public. of the project. Shell Explorer holds a 20 per The presidency of the BD1 bas had an unhappy recent history. One of the most outspoken

cent interest in Alsands, and is the third company to pull out of the consortium in two days. The Alsands project, due for completion in 1985, is one of the world's most ambitious schemes for extracting synthetic crude oil. Under the plan the Alsands Group would stripmine and process oil-bearing rock over 42,000 acres in the Fort McMurray area of North Eastern Alberta. It is planned to produce 137 barrels of syn-

thetic oil a day.

Last night Mr J C Phillips. chairman of Gulf Canada Resources, said the three remaining partners in the project—Gulf, Shell Canada and Petro-Canada—would not proceed on

Mr Phillips was cautious

about suggestions of other pri- other vate sector companies joining Alsands. He warned that the Federal and Alberta govern-ments would bave to improve the financial terms of the project to attract new partners.

The consortium has only 50 per cent of its membership intact after the withdrawals of Shell Explorer yesterday and of Dome Petroleum and Hudson's Bay Oil and Gas, which had 12 per cent between them, late on Tuesday.

Last month Amoco Canada Petroleum and Chevron Standard pulled their combined 18 per cent interest out of the Alsands project, saying the tax concessions offered were not generous enough. Of the three members of the

consortium remaining, Shell Canada of Toronto holds 25 per cent, Canada's national oil company, Petro-Canada, has 17 per cent, and Gulf Canada Resources of Calgary bas 8 per

Alsands has approached in doobt.

Canadian companies ahont participating in the project and there have heen-inquiries from Japanese interests. . members of the consortium are likely to meet Mr Marc Lalonde, Federal Energy Lalonde, Federal Energy Minister, and his provincial counterpart in the next two weeks to see if the project can

be held together. A collapse of Alsands could bode ill for a similar heavy oil project at Cold Lake. Alberta, being planned by Imperial Oil of Toronto, the Canadian subsidiary of Exxon. Ray Dafter, Energy Editor, writes: The Alsands project bas

been dogged by Canadian tax and financing problems as well as the general fall in crude oil The oil indyustry's revised

projection of future oil prices -some companies are forecasting no increase in real prices in the 1980s—has put the future of a number of highpriced, synthetic fuel projects

IBM unveils robot Continued from Page 1

It would offer disconnts of up to 15 per cent for large purchases of the low-cost system.
This will have "four degrees This will have "four degrees oped to direct RS 1 operations. of freedom," which means it "We believe AML is the most can move in four separate advanced robotic control landirections. The more sophisticated RS 1 system can move its arms in six directions. The larger system is programmed by a modified version

computer configuration used to But IBM says its most signifi-programme its 7535 robotic cant feature is its powerful and system cost \$5,575. Only one easy-to-use programming lancomputer would be necessary to guage (software which instructs programme any number of the system to perform apecific tasks). This language is called

"AML" or "A Nanufacturing Language," which IBM develguage in the world," said Mr David Grossman, manager of automation research at the IBM research centre.
The low-cost 7535 system pro-

personal computer uses a ver-sion of AML unlike the low-cost system made by Sanyo Seikl. The RS 1 system is manufactured at IBM's facility in Boca Raton, Florida. IBM's entry to the robot

other leading technological and electronics companies in the U.S. show growing interest in General Electric has aignalled

its intention in recent mooths to develop a major presence in this sector, and bas already of an IBM Series 1 computer. grammed hy a single IBM started a robots division.